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EAST INDIA (HOME ACCOUNTS).

HOME ACCOUNTS

OF THE

GOVERNMENT OF INDIA.

(Presented pursuant to the Government of India Act, 1858, Section 53.)

Ordered, by The House of Commons, *to be Printed*, 12 May 1904.

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India Office,
12 May 1904.

ARTHUR GODLEY,
Under Secretary of State for India.

ex 2 4 - and 21/A.

No. 1.

ACCOUNT, of the RECEIPTS and DISBURSEMENTS of the HOME TREASURY

RECEIPTS.

	£	s.	d.	£	s.	d.	£	s.	d.
Balance on the 1st April 1902							6,693,136	13	6
REVENUE:									
INTEREST:									
Interest realised from investment of Cash Balance	138,061	16	8						
Interest on India Debt, remaining unclaimed for ten years, repaid by the Bank of England and the Bank of Ireland	585	9	3						
	138,647	5	11						
Premium realised on the issue of 1,500,000*l.* India 3 per Cent. Stock	18,668	–	4						
				157,315	6	3			
TELEGRAPH:									
Indo-European Telegraph Department—Postage Revenue				6,172	13	5			
MINT:									
Proceeds of sale of Indian Coins sent to this country for assay				31	11	7			
MEDICAL:									
Pay, pensions, &c., of Lunatics at the Coton Hill Hospital, Stafford, at the Royal Naval Hospital, Yarmouth, and at Broadmoor Asylum, appropriated to their maintenance				1,446	–	–			
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:									
Sale proceeds of books, maps, &c.				531	3	5			
RECEIPTS IN AID OF SUPERANNUATION ALLOWANCES AND PENSIONS:									
	£	s.	d.						
Subscriptions, &c., to the Widows' Funds of the Home Establishment of the East India Company	11,613	10	3						
Subscriptions in respect of the India Office Provident Fund	1,503	6	10						
Subscriptions in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund:									
Bengal Civil Service Annuity Fund	2,356	10	4						
Madras Civil Service Annuity Fund	437	2	7						
Bombay Civil Fund: Annuity Branch	462	4	10						
Bengal Civil Fund	522	1	3						
Madras Civil Fund	60	9	–						
Bombay Civil Fund: Provident Branch	657	14	10						
Bengal Military Orphan Society	15,274	–	9						
Bengal Military Fund	22,677	9	4						
Madras Military Fund	10,970	8	4						
Bombay Military Fund	6,924	10	1						
Madras Medical Fund	114	16	6						
Indian Navy Fund	622	9	7						
	61,079	17	5						
Subscriptions towards Indian Civil Service Family Pensions	6,069	4	6						
Contributions towards Leave Allowances and Pensions of Civil Officers lent from India for Imperial Service	2,311	3	9						
				82,577	2	9			
Carried forward			£	248,073	17	5	6,693,136	13	6

- - - - - - - No. 1.

of the GOVERNMENT of *India*, from 1st April 1902 to 31st March 1903.

DISBURSEMENTS.

EXPENDITURE:

	£	s.	d.
LAND REVENUE:			
Law Charges in connection with Appeals from India, a portion of which is recoverable in India	147	12	11
OPIUM: Stores for India: for the Behar and Benares Opium Agencies	4,446	8	11
SALT: Stores for India: Cardigan Jackets, &c.	141	18	3
STAMPS: Stores for India	31,898	6	11
EXCISE: Stores for India: Hydrometers	8	10	1
CUSTOMS: Stores for India: Scales and Weights, &c.	145	1	5
FOREST:			
Expenses in connection with Candidates for the Indian Forest Department, Passage to India on appointment, &c. — £ 1,725 8 6			
Stores for India: Belting, Saws, &c. — 102 3 10			
	1,827	12	4
INTEREST ON DEBT (EXCLUDING THAT CHARGED ON PAGE 13 TO RAILWAYS):			
Interest on Loans contracted in England: *			
India 3½ per Cent. Stock — £ 1,814,463 9 10			
India 3 per Cent. Stock — £ 995,253 1 4			
Less,—Chargeable against Companies on Advances (*see* page 13) — £ 218,884 5 –			
— £ 776,368 16 4			
India 2½ per Cent. Stock — £ 278,771 8 8			
India Bills (Discount on issue) — £ 113,434 17 1			
— £ 2,983,038 11 11			
Discount Sinking Fund, in redemption of debt incurred in excess of money raised:			
Investment in 18,720*l.* 14*s.* 1*d.* India 3½ per Cent. Stock of the sum applicable to this purpose — £ 20,120 9 4			
	3,003,159	1	3
INTEREST ON OTHER OBLIGATIONS:			
Interest on Deposits in Regimental Savings Banks of men returned from India	224	4	5
POST OFFICE:			
Payments under the Postal arrangement with the Lords of His Majesty's Treasury — £ 52,000 – –			
Stores for India — £ 47,915 7 –			
	99,915	7	–
Carried forward £	3,141,914	3	6

* Total Interest on Loans contracted in England:—

	£	s.	d.
India 3½ per Cent. Stock	2,206,742	3	8
India 3 per Cent. Stock	1,447,698	17	10
India 2½ per Cent. Stock	297,287	12	8
India Bills	113,434	17	1
East Indian Railway Debenture Stock	64,648	15	8
Eastern Bengal Railway Debenture Stock	13,946	6	11
South Indian Railway Debenture Stock	19,124	18	11
Great Indian Peninsula Railway Debentures and Debenture Stock	179,892	9	9
£	4,342,776	2	6

Charged in the Account as follows:—

	£	s.	d.	£	s.	d.
Under Interest on Ordinary Debt (as above)				2,983,038	11	11
Under Railway Revenue Account (page 13):						
State Railways—Interest on Debt	1,143,504	–	8			
Deduct—Oude and Rohilkund Railway Discount Sinking Fund (*see* p. 12)	2,650	15	1			
	1,140,853	5	7			
State Railways—Interest chargeable against Companies on Advances	218,884	5	–			
				1,359,737	10	7
£				4,342,776	2	6

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

	£ s. d.	£ s. d.
Brought forward - - -	248,073 17 5	6,693,136 13 6
RECEIPTS—*continued.*		
REVENUE—*continued.*		
MISCELLANEOUS:		
From the Commissioners of Inland Revenue: Allowance in respect of the assessments of Income Tax made at the India Office - -	843 1 6	
Conscience Money - - - - - - -	55 – –	
Receipt from the Stationery Office for 750 copies of the Report of the Indian Plague Commission	965 7 –	
Escheated Estate of an Illegitimate Person who died in India intestate - - - - -	973 14 7	
Miscellaneous Fees, &c. - - - - -	292 9 –	
Sale proceeds of unserviceable stores and receipts on sundry accounts - - - - - -	35 1 3	
	3,164 13 4	
Miscellaneous Receipts connected with the supply of Stores to India:		
Recoveries in respect of Stores lost in transit to India - £ 3,476 7 7		
Sale proceeds of sawdust, &c. 45 7 –		
Rent of Wharf adjoining the India Store Depôt, and the proportion of rates and taxes chargeable thereon - - 268 3 4		
	3,789 17 11	
		6,954 11 3
RAILWAYS:		
STATE RAILWAYS:		
East Indian Railway: Rent of premises occupied by the Company - - - - - -	230 – –	
SUBSIDIZED COMPANIES: £ s. d.		
Rohilkund and Kumaon Railway: Government share of surplus profits for the year 1901 984 14 10		
Southern Punjab Railway Company: Government share of surplus profits for the four years 1898 to 1901 - - 16,884 19 4		
	17,869 14 2	
		18,099 14 2
OTHER PUBLIC WORKS:		
CIVIL WORKS AND MISCELLANEOUS SERVICES:		
Royal Indian Engineering College: Fees and Caution Money received from Students - - - - - - -	22,458 – –	
Receipts for testing-work done in the Laboratories; and sale proceeds of provisions, farm produce, &c. - - - - -	6,220 13 5	
		28,678 13 5
Carried forward - - - £	301,806 16 3	6,693,136 13 6

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued.*

	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Brought forward - - -			- - -	3,141,914 3 6
DISBURSEMENTS—*continued.*				
EXPENDITURE—*continued.*				
TELEGRAPH:				
Indo-European Telegraph:				
Payments in respect of Revenue:				
Message Revenue -	56,998 5 3			
Joint Purse Agreement -	--*23,972 12 6*			
Australasian Message Fund -	13,096 12 4			
		46,122 5 1		
Other Payments:				
Absentee allowances - -	1,546 9 3			
Expenses of Constantinople Office - - - -	343 6 –			
Contingencies - - -	287 13 2			
Stores - - - -	40,105 2 2			
		42,282 10 7		
			88,404 15 8	
Red Sea and India Telegraph: Moiety of Annuity (terminating in 1908) payable to Shareholders of the late Red Sea and India Telegraph Company, under Act 25 & 26 Vict. c. 39 - - -			18,027 – –	
Indian Telegraph Department:				
Absentee allowances - - - - - -		5,111 10 8		
Passage to India of Officers of the Department on appointment, &c. - - - - - - -		551 12 6		
			5,663 3 2	
			112,094 18 10	
Telegraph Lines in India—Stores for India - - - - - -			150,861 13 10	
				262,956 12 8
MINT:				
Cost of assay of Indian Coins, &c. - - - - - - -			46 6 4	
Stores for India - - - - - - - - - - -			8,350 9 10	
				8,396 16 2
GENERAL ADMINISTRATION:				
England.				
Salaries of the Secretary of State, Under Secretaries and Assistant Under Secretary of State, Members of the Council of India, Secretaries and Officers of the Secretary of State for India in Council, Assistant Military Secretary for Indian Affairs at the War Office and Clerk, two Members of the London Medical Board, &c. - -		129,412 10 7		
Auditor and Assistants, under the Government of India Act, 1858, s. 52 - - - - - -		7,543 6 1		
Store Department: Wages of artificers and labourers, commission of professional inspectors, travelling expenses, rates and taxes, repairs, supplies, &c. - - - - - - - -		23,932 13 9		
Law Charges - - - - - - - -		89 7 5		
Bank of England and Bank of Ireland for management of debt - - - - - - - -		48,517 19 2		
Postage of despatches to India - - - -		407 6 5		
Telegrams to India - - - - - - -		5,867 12 11		
Office Contingencies: Rates, taxes, furniture and repairs, coal, gas, electric lighting, books, newspapers, advertisements, stamps, inland postage and telegrams, messengers' uniforms, and various petty charges - - - - - - -		13,950 16 –		
			229,721 12 4	
India.				
Passage to India of a Probationer for the Financial Department, &c. - - - - - - -		60 – –		
Books and Newspapers supplied to India, not invoiced as Stores - - - - - - -		1,281 10 6		
			1,341 10 6	
			231,063 2 10	
Stores for India: Currency Notes, &c. - - - - -			20,411 – 8	
				251,474 3 6
Carried forward - - - £				3,664,741 15 10

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

	£ s. d.	£ s. d.
Brought forward - -	301,806 16 3	6,693,136 13 6
Receipts—continued.		
Revenue—continued.		
ARMY:		
Effective.		
Contribution by the Imperial Government in respect of	£ s. d.	
Cost of the Transport of Troops - - - - -	130,000 – –	
Military Charges for Aden -	100,000 – –	
	230,000 – –	
Value of Clothing, Accoutrements, &c., in possession of Regiments on their transfer from the Indian to the British Establishment; Proceeds of Sales of unserviceable Military Stores, &c.:	£ s. d.	
Clothing and Necessaries -	13,729 6 4	
Ordnance and Miscellaneous -	50,531 – 6	
	64,260 6 10	
Indian Troop Service: Receipts from the Admiralty, Recoveries on account of Messing, &c. - - - - - - - - - -	38,472 18 6	
Passage of Officers and Troops: Recoveries on account of Messing - - - - - -	146 11 –	
Fees received in respect of King's India Cadets at the Royal Military College, Sandhurst - -	853 4 10	
	333,733 1 2	
Non-Effective.	£ s. d.	
Subscriptions towards Indian Military Service Family Pensions	24,934 13 4	
Contributions towards Pensions of Indian Native soldiers lent for Imperial Service - - -	34,330 4 5	
	59,264 17 9	
	392,997 18 11	
Carried forward - -	£ 694,804 15 2	6,693,136 13 6

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued.*

	£ s. d.	£ s. d.
Brought forward - -	- - -	3,664,741 15 10
DISBURSEMENTS—*continued.*		
EXPENDITURE—*continued.*		
LAW AND JUSTICE:		
Salary of Privy Council Reporter under the arrangement made by the Government of India for the publication of Law Reports, &c. - - - - - - - - - -	210 6 9	
Stores for India - - - - - - - - - -	64 16 5	
		275 3 2
POLICE:		
Passage to India of Assistant Superintendents on appointment, &c.	- - - -	1,674 12 7
MARINE:		
Contribution towards the expenses of His Majesty's Ships employed in the Indian Seas, &c. - - - - - - -	105,475 7 1	
Subsidy to the Admiralty for manning and maintaining Indian Government Defence Vessels - - - - - -	61,600 – –	
Cost of alterations to Torpedo Boat Defence Vessels; and passage of Officers and men of Defence Vessels not covered by the Subsidy - - - - - - - - - -	4,637 10 11	
Allowances of Marine Officers whilst under instruction - -	435 6 2	
Pay and Passage of Marine Officers, of Leadsman Apprentices in the Bengal Pilot Service, &c. - - - - - - -	872 – 4	
	173,020 4 6	
Stores for India - - - - - - - - - -	74,893 13 5	
		247,913 17 11
EDUCATION:		
Passage to India of Educational Officers on appointment, &c. -	312 – 11	
Scholarships to enable Natives of India to pursue their education in this country - - - - - - - - - -	1,400 4 9	
Deputation Allowance of Officers while studying educational methods in this country, &c. - - - - - - -	169 18 4	
		1,882 4 –
ECCLESIASTICAL:		
Passage and Outfit Allowance of the Bishop of Calcutta, and passage to India of Chaplains on appointment - - - - - - - - - - -		646 1 –
MEDICAL:		
Cost of maintenance of Lunatics at the Coton Hill Hospital, Stafford, at the Royal Naval Hospital, Yarmouth, and at Broadmoor Asylum - - - - - - - - -	3,829 11 5	
Pay, Passage, &c., of Medical Officers and Lady Nurses in connection with the Plague, &c. - - - - - - -	4,584 7 3	
		8,413 18 8
POLITICAL:		
Contribution towards the Mission to the Court of Persia and Minor Consulates - - - - - - - - -	5,300 – –	
Law Charges in connection with the Traffic in Arms in the Persian Gulf - - - - - - - - - -	1,489 2 10	
Travelling expenses of Officers employed in connection with the delimitation of the Aden frontier - - - - - -	123 19 7	
Miscellaneous expenditure - - - - - - - -	89 14 –	
	7,002 16 5	
Stores for India: Presentation Articles - - - - -	246 6 –	
		7,249 2 5
Carried forward - - - - - £		3,932,796 15 7

No 1.—Account of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward - - - -	694,804	15	2	6,693,136	13	6
Receipts—*continued.*						
Carried forward - - - £	694,804	15	2	6,693,136	13	6

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued.*

	£ s. d.	£ s. d.
Brought forward - - -	- - -	3,932,796 15 7
DISBURSEMENTS—*continued.*		
EXPENDITURE—*continued.*		
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:		
Objects of a literary, scientific, or antiquarian character - - -	2,179 4 1	
Expenses attending the preparation of a new Edition of the "Imperial Gazetteer of India" - - - - - - - - -	500 – –	
Expenses attending the preparation of the "Fauna Indica" - -	1,091 3 11	
Expenses in connection with the publication of the "Flora of Bombay" - - - - - - - - - - - -	246 17 6	
Purchase of Stallions - - - - - - - - - -	5,283 18 3	
Contingent expenses of the India Museum Collection at Kew - -	408 4 2	
Preparation of Tide Tables for Indian Ports - - - - - -	813 7 4	
Expenses incurred in connection with the Indian Section of the Imperial Institute - - - - - - - - - -	2,125 – –	
Remuneration to Officers and others specially employed, and miscellaneous expenditure - - - - - - - - - -	4,533 13 5	
	17,181 8 8	
Stores for India - - - - - - - - - - - -	16,275 12 2	
		33,457 – 10
TERRITORIAL AND POLITICAL PENSIONS:		
Members of the Family of the late Maharajah Duleep Singh - -	11,484 18 11	
Members of the Bengal Nizamut Family - - - - - -	1,105 7 6	
		12,590 6 5
CIVIL FURLOUGH AND ABSENTEE ALLOWANCES:		
Indian Civil Service - - - - - - - - - -	103,877 12 6	
Military Officers in Civil employ - - - - - - - -	72,552 13 –	
Uncovenanted Service - - - - - - - - - -	58,957 15 3	
Bengal Pilot Service - - - - - - - - - -	2,211 6 7	
Royal Indian Marine - - - - - - - - - -	6,425 19 6	
		244,025 6 10
SUPERANNUATION ALLOWANCES AND PENSIONS:		
Pensions for Distinguished and Meritorious Services - - -	9,245 11 3	
Pensions on retirement of Officers of the following classes :—		
India Office:	£ s. d.	
Superannuation - - - - -	27,267 11 5	
Compensation (on reduction of staff) - -	13,926 7 3	
Compassionate - - - - - - -	2,716 11 6	
	43,910 10 2	
Judges of the High Courts in India - - - - - - -	39,428 – –	
Bishops of Calcutta and Bombay - - - - - - -	2,300 – –	
Uncovenanted Service of India - - - - - - - -	367,798 2 10	
Bengal Pilot Service - - - - - - - - -	5,269 4 1	
Royal Indian Marine - - - - - - - - -	11,194 8 10	
Pensions of Officers, &c., of Establishments of the late East India Company, now abolished:		
Officers, &c., of the St. Helena Establishment, pensioned on the abolition of the Commercial Charter in 1834 - - - - - - -	£ s. d. 79 – –	
Officers, &c., of the Home Establishment, pensioned between 1834 and 1858 - - - -	680 17 9	
Professor at the Military College at Addiscombe - - - - - - - -	200 – –	
Officers of the late Indian Navy - - - -	9,276 12 1	
	10,236 9 10	
Carried forward - - - £	489,382 7 –	4,222,869 9 8

No. 1. - ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£ s. d.	£ s. d.
Brought forward - - -	694,804 15 2	6,693,136 13 6
RECEIPTS — *continued.*		
Carried forward - - - £	694,804 15 2	6,693,136 13 6

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued*.

	£	s.	d.	£	s.	d.
Brought forward - - -	489,382	7	–	4,222,869	9	8
DISBURSEMENTS—*continued*.						
EXPENDITURE—*continued*.						
SUPERANNUATION ALLOWANCES AND PENSIONS—*continued*.						
Pensions of Widows and Families of Officers of the Home Service, from Funds (established by the East India Company) to which the Officers subscribed - - - - - - - - - -	12,820	15	5			
Pensions payable in respect of the India Office Provident Fund - -	3,088	3	–			
Pensions of Widows and Families of Officers of the Bengal Pilot Service, towards which the Officers subscribed - - - - -	6,183	17	3			
Compassionate and Miscellaneous Pensions - - - - -	7,327	10	1			
	518,802	12	9			
Gratuities - - - - - - - - - - - - -	784	4	8			
Gratuity granted on retirement to a Member of the Uncovenanted Service of India - - - - - - - - - - -	99	–	–			
Relief to distressed Natives of India - - - - - - -	143	4	9			
Subscriptions to Charities (Strangers' Home for Asiatics, Seamen's Hospital Society, and Soldiers' Daughters' Home, &c.) - - -	360	5	–			
	520,189	7	2			
Annuities, Pensions, and Allowances payable in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund:						
Bengal Civil Service Annuity Fund - -	£ 360,969	s. 13	d. 3			
Madras Civil Service Annuity Fund - -	93,898	2	2			
Bombay Civil Fund: Annuity Branch - -	106,988	13	5			
Bengal Civil Fund - - - - - -	150,321	14	9			
Madras Civil Fund - - - - - -	64,701	10	11			
Bombay Civil Fund: Provident Branch -	38,527	8	4			
Bengal Military Orphan Society - - -	57,968	4	6			
Bengal Military Fund - - - - - -	217,544	14	9			
Madras Military Fund - - - - - -	191,920	19	10			
Bombay Military Fund - - - - - -	108,046	17	9			
Bengal Medical Retiring Fund - - -	10,814	17	9			
Madras Medical Fund - - - - - -	60,148	10	11			
Bombay Medical Retiring Fund - - -	2,881	–	3			
Indian Navy Fund - - - - - -	15,029	5	10			
				1,479,761	14	5
Indian Civil Service Family Pensions - - - - - - -				6,803	7	8
						2,006,754 9 3
STATIONERY AND PRINTING:						
Stationery, Printing, and Bookbinding, for the India Office, &c. -				7,408	17	4
Stores for India - - - - - - - - - - -				94,939	1	–
						102,347 18 4
Carried forward - - - - - - £						6,331,971 17 3

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

RECEIPTS—*continued.*

	£	s.	d.	£	s.	d.
Brought forward				694,804	15	2
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):						
Interest in lieu of Deferred Annuity:						
Interest at 4 per cent. per annum on 6,550,000*l.* (being one-fifth of the commuted value of the Capital Stock of the East Indian Railway Company), the proprietors of which availed themselves of the option of deferring payment of the portion of the Annuity to which they were entitled	262,000	–	–			
Annuities:						
Annuity terminating in 1953, at the rate of 5*l.* 12*s.* 6*d.* for 100*l.* Stock of the Company	848,604	2	8			
" " 1957 " " 6*l.* 3*s.* 4·79*d.* " " "	116,830	19	1			
" " 1958 " " 5*l.* 3*s.* 3·141*d.* " " "	371,170	19	11			
" " 1948 " " 6*l.* 13*s.* 6·776*d.* " " "	1,268,508	11	–			
Contribution towards management, &c., in respect of the Annuity registered in the name of the Secretary of State	1,374	7	8			
Sinking Funds, created pursuant to Acts 42 & 43 Vict. c. 206, s. 51, and 44 & 45 Vict. c. 53, s. 2 (a):						
Investment of the difference between the sums retained by the Secretary of State in respect of the Annuity and Debenture Stock redeemed by him, and the interest on the Stock originally created for the redemption thereof:—						
In £36,301 19 – India 3½ per Cent. Stock	38,941	5	8			
" 3,153 16 6 " 3½ " "	3,384	18	6			
" 26,143 7 4 " 3½ " "	28,410	17	2			
Investment of interest on the amount of Stock purchased for the Sinking Funds and cancelled:—						
In £35,442 16 5 India 3½ per Cent. Stock	38,264	1	6			
" 2,196 18 3 " 3½ " "	2,371	15	1			
" 17,604 12 6 " 3½ " "	19,004	6	5			
£120,843 10 –	1,189,183	17	6	122,716	11	10
	418,736	2	–	1,268,581	14	8
STATE RAILWAYS—INTEREST ON DEBT:						
On India 3½ per Cent. Stock issued in redemption of portion of Annuity and Debenture Stock, and outstanding	220,922	12	6	18,924	14	8
" " 3 " " " " " Annuity, Debenture Stock, and Debentures, and for purchase of Undertakings of Railway Companies	7,223	2	8	6	17	–
" " 2½ " " " " " Debentures and Debenture Stock						
" Railway Debenture Stock and Debentures	64,648	15	8	13,946	6	11
Discount Sinking Fund, in redemption of Debt incurred in excess of money raised:						
Investment in £2,465 6 4 India 3½ per Cent. Stock of the sum applicable to this purpose						
£123,308 16 4 India 3½ per Cent. Stock purchased and cancelled.	292,794	10	10	32,877	18	7
£	1,481,978	8	4	155,594	10	5
Carried forward £				694,804	15	2

	East Indian Railway.	Eastern Bengal Railway.	Scinde Punjab and Delhi Railway.	Oude and Rohilkund Railway.	South Indian Railway.	Great Indian Peninsula Railway.	TOTAL.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):							
Interest in lieu of Deferred Annuity:							
Interest at 4 per cent. per annum on 6,550,000*l.* (being one-fifth of the commuted value of the Capital Stock of the East Indian Railway Company), the proprietors of which availed themselves of the option of deferring payment of the portion of the Annuity to which they were entitled	262,000 – –	—	—	—	—	—	
Annuities:							
Annuity terminating in 1953, at the rate of 5*l.* 12*s.* 6*d.* for 100*l.* Stock of the Company	848,604 2 8	—	—	—	—	—	
" " 1957 " " 6*l.* 3*s.* 4·79*d.* " " "	– – –	116,830 19 1	—	—	—	—	
" " 1958 " " 5*l.* 3*s.* 3·141*d.* " " "	– – –	– – –	371,170 19 11	—	—	—	
" " 1948 " " 6*l.* 13*s.* 6·776*d.* " " "	– – –	– – –	– – –	– – –	– – –	1,268,508 11 –	
Contribution towards management, &c., in respect of the Annuity registered in the name of the Secretary of State	1,374 7 8	128 19 2	149 18 6	—	—	73 3 8	
Sinking Funds, created pursuant to Acts 42 & 43 Vict. c. 206, s. 51, and 44 & 45 Vict. c. 53, s. 2 (a):							
Investment of the difference between the sums retained by the Secretary of State in respect of the Annuity and Debenture Stock redeemed by him, and the interest on the Stock originally created for the redemption thereof:—							
In £36,301 19 – India 3½ per Cent. Stock	38,941 5 8	—	—	—	—	—	
" 3,153 16 6 " 3½ " "	– – –	3,384 18 6	—	—	—	—	
" 26,143 7 4 " 3½ " "	– – –	– – –	28,410 17 2	—	—	—	
Investment of interest on the amount of Stock purchased for the Sinking Funds and cancelled:—							
In £35,442 16 5 India 3½ per Cent. Stock	38,264 1 6	—	—	—	—	—	
" 2,196 18 3 " 3½ " "	– – –	2,371 15 1	—	—	—	—	
" 17,604 12 6 " 3½ " "	– – –	– – –	19,004 6 5	—	—	—	
£120,843 10 –	1,189,183 17 6	122,716 11 10	418,736 2 –	– – –	– – –	1,268,581 14 8	2,999,218 6 –
STATE RAILWAYS—INTEREST ON DEBT:							
On India 3½ per Cent. Stock issued in redemption of portion of Annuity and Debenture Stock, and outstanding	220,922 12 6	18,924 14 8	153,399 – 5	–967 13 9*	—	—	
" " 3 " " " " " Annuity, Debenture Stock, and Debentures, and for purchase of Undertakings of Railway Companies	7,223 2 8	6 17 –	–496 12 –†	309,990 16 8	119,886 13 8	15,834 18 6	
" " 2½ " " " " " Debentures and Debenture Stock	– – –	– – –	– – –	10,892 11 –	7,623 13 –	—	
" Railway Debenture Stock and Debentures	64,648 15 8	13,946 6 11	– – –	– – –	19,124 18 11	179,892 9 9	
Discount Sinking Fund, in redemption of Debt incurred in excess of money raised:							
Investment in £2,465 6 4 India 3½ per Cent. Stock of the sum applicable to this purpose	– – –	– – –	– – –	2,650 15 1	—	—	
£123,308 16 4 India 3½ per Cent. Stock purchased and cancelled.	292,794 10 10	32,877 18 7	152,902 8 5	322,566 9 –	146,635 5 7	195,727 8 3	1,143,504 – 8
£	1,481,978 8 4	155,594 10 5	571,638 10 5	322,566 9 –	146,635 5 7	1,464,309 2 11	4,142,722 6 8

* The Discount Sinking Fund in redemption of Debt incurred in excess of money raised, in respect of the India 3 per Cent. Stock issued in connection with the purchase of the Oude and Rohilkund Railway, has been partly applied to the redemption of India 3½ per Cent. Stock, instead of India 3 per Cent. Stock.

† The Sinking Fund has been partly applied to the Redemption of India 3 per Cent. Stock, instead of India 3½ per Cent. Stock.

	£	s.	d.
Brought forward	694,804	15	2
	6,693,136	13	6

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued.*

	£ s. d.	£ s. d.
Brought forward - - -	- - -	6,331,971 17 3
DISBURSEMENTS—*continued.*		
EXPENDITURE—*continued.*		
MISCELLANEOUS:		
Examination Expenses and Allowances of Candidates for the Indian Civil Service - - - - - - - - -	6,878 15 10	
Cost of Insignia, &c., of the Orders of the "Star of India," and the "Indian Empire," and cost of Kaisar-i-Hind Medals	6,759 13 –	
Composition in lieu of Stamp Duty on India Bills - - -	400 – –	
Contribution towards the expenses of the International Tariffs Bureau, at Brussels - - - - - - - - -	197 12 4	
Contribution towards the Salary of the British Consular and Medical Delegate at the Alexandria Maritime and Quarantine Board - - - - - - - - - -	125 – –	
Expenses in connection with the Indian Plague Commission -	588 19 7	
Passage to India of Civil Officers recalled to duty prior to the expiration of their leave - - - - - - - -	81 – –	
Sundries - - - - - - - - - -	68 17 6	
Miscellaneous Charges connected with the supply of Stores to India:	15,099 18 3	
Fines and Penalties incurred by Contractors in providing Stores and Freight (refunds in excess of receipts) - £ 150 7 –		
Commission on Freight, Lighterage, Dock Dues, Packing, &c. - - £ 6,628 17 8		
Cost of Stores lost in transit to India, General Average, &c. - - - £ 3,578 13 7	10,357 18 3	25,457 16 6
FAMINE RELIEF AND INSURANCE:		
CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS:		
Expenses in connection with the Indian Irrigation Commission	1,880 11 7	
Stores for India: Portable Tramway, &c. - - - -	1,043 16 7	2,924 8 2
RAILWAY REVENUE ACCOUNT:		
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS): (*See* Details on opposite page.)		
East Indian Railway - - - - £ 1,189,183 17 6		
Eastern Bengal Railway - - - £ 122,716 11 10		
Scinde Punjab and Delhi Railway - - £ 418,736 2 –		
Great Indian Peninsula Railway - - £ 1,268,581 14 8	2,999,218 6 –	
STATE RAILWAYS—INTEREST ON DEBT: (*See* Details on opposite page.)		
East Indian Railway - - - - £ 292,794 10 10		
Eastern Bengal Railway - - - £ 32,877 18 7		
Scinde Punjab and Delhi Railway - - £ 152,902 8 5		
Oude and Rohilkund Railway - - - £ 322,566 9 –		
South Indian Railway - - - - £ 146,635 5 7		
Great Indian Peninsula Railway - - £ 195,727 8 3	1,143,504 – 8	
STATE RAILWAYS—INTEREST CHARGEABLE AGAINST COMPANIES ON ADVANCES:		
*Bengal Central Railway - - - - £ 16,250 – –		
Bengal-Nagpur Railway - - - £ 89,700 – –		
Indian Midland Railway - - - £ 43,712 10 –		
Southern Mahratta Railway - - - £ 69,221 15 –	218,884 5 –	
STATE RAILWAYS—INTEREST ON CAPITAL DEPOSITED BY COMPANIES:		
Assam-Bengal Railway - - - - £ 87,658 7 6		
*Bengal Central Railway - - - - £ 17,500 – –		
Bengal-Nagpur Railway - - - - £ 257,051 12 5		
Burma Railways - - - - - £ 78,125 – –		
East Indian Railway - - - - £ 149,382 10 –		
Great Indian Peninsula Railway - - £ 77,250 – –		
Indian Midland Railway - - - - £ 212,530 10 –		
Southern Mahratta Railway - - - £ 205,943 – –		
South Indian Railway - - - - £ 64,784 4 11	1,150,225 4 10	
GUARANTEED COMPANIES—INTEREST:		
Bombay Baroda and Central India Railway £ 469,176 15 8		
Madras Railway - - - - - £ 557,714 12 –	1,026,891 7 8	
		6,538,723 4 2
Carried forward - - - - £		12,899,077 6 1

* Although for convenience classed among the State Railways, this Line is the property of the Bengal Central Railway Company.

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward - - -	694,804	15	2	6,693,136	13	6
RECEIPTS—*continued.*						
Carried forward - - £	694,804	15	2	6,693,136	13	6

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued.*

	£ s. d.	£ s. d.
Brought forward - - -	- - -	12,899,077 6 1
DISBURSEMENTS—*continued.*		
EXPENDITURE—*continued.*		
IRRIGATION :		
MINOR WORKS AND NAVIGATION : Stores for India - - -	- - -	1,917 4 11
OTHER PUBLIC WORKS :		
MILITARY WORKS : Stores for India - - - - - -	62,607 1 11	
CIVIL WORKS AND MISCELLANEOUS SERVICES :		
Royal Indian Engineering College :		
Salaries of President, Professors, &c.; wages of servants ; provisions, and contingent expenses; and Continental Tour of Forest Students - - - - - - £ 29,676 8 2		
Refund of Caution Money to Students - - 238 19 10		
29,915 8 –		
Cost of alterations and additions to the College Buildings, &c. - - - - 8,565 4 10		
38,480 12 10		
Salaries and expenses, while gaining practical experience in their profession, of Students retained in this country after having passed out of the Royal Indian Engineering College - 482 4 –		
Passage to India of Assistant Engineers on appointment - - - - - - - 950 8 11		
Furlough Pay and Allowances of Military Officers in the Public Works Department - 6,533 6 7		
Absentee Allowances of Civil Officers in the Public Works Department - - - 52,210 9 3		
Passage to India of Officers on appointment to the Public Works Department - - 1,184 3 11		
Allowances and Expenses of Officers and others on special duty, and visiting Works, &c. - - - - - - - - - 898 13 11		
100,739 19 5		
Stores for India - - - - - - - 6,822 2 7		
	107,562 2 –	
		170,169 3 11
ARMY :		
Effective.		
Payments to the Imperial Government on account of Disbursements by the War Office in respect of H.M.'s British Forces serving in India :—		
For the year 1902–03 - - £ 852,000 – –		
Less—Adjustments through War Office Miscellaneous Accounts - - - 6 13 3		
851,993 6 9		
Furlough allowances of Officers of the Indian Service - - - - - - - 250,604 19 9		
Furlough allowances of Officers and men of British Regiments serving in India - - - - 106,628 8 6		
Advances to Regiments proceeding to India - 1,322 5 1		
Carried forward - - £	1,210,549 – 1 - - -	13,071,163 14 11

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward . . .	694,804	15	2	6,693,136	13	6
RECEIPTS—*continued.*						
TOTAL RECEIPTS ON ACCOUNT OF REVENUE - - - - - - - -				694,804	15	2
Carried forward - - - £				7,387,941	8	8

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued.*

	£ s. d.	£ s. d.	£ s. d.
Brought forward - - -	1,210,549 - 1	- - -	13,071,163 14 11
DISBURSEMENTS—*continued.*			
EXPENDITURE—*continued.*			
ARMY—*continued.*			
Effective—continued.			
Pay and allowances during Voyage, of Regiments returning from India - - - - -	4,799 8 10		
Indian Troop Service - - - - -	345,498 18 11		
Passage of Officers and others not charged to Indian Troop Service - - - - -	21,831 1 8		
Deferred Pay issued to Non-commissioned Officers who took their discharge when on Furlough -	647 7 6		
Pay and allowances of Second Lieutenants, &c. on appointment - - - - - - -	3,854 1 8		
Pay and allowances of Lieutenants on appointment to the Indian Medical Service, &c. - - -	8,784 14 7		
Pay and expenses of Military Officers on special duty - - - - - - - - -	7,820 17 6		
Pay and expenses of Military Officers under technical instruction - - - - -	3,298 18 8		
Pay and expenses of Military Officers studying the Russian language - - - - -	3,947 6 6		
Outfit allowance, furlough pay, &c., of Lady Nurses	2,048 10 11		
Purchase of Mules - - - - - -	19,623 17 5		
Pay and expenses of Artificers on appointment to various Government Factories in India; and other miscellaneous expenditure - - -	3,204 11 6		
	1,635,908 15 9		
Stores for India : £ s. d.			
Clothing - - - - 183,149 6 8			
Ordnance and Miscellaneous 1,015,004 12 -			
Medical - - - - 46,930 9 8			
Supply and Transport Corps 45,864 16 8			
	1,290,949 5 -		
		2,926,858 - 9	
Non-Effective.			
Payments to the Imperial Government on account of Retired Pay, Pensions, &c., of H.M.'s British Forces for service in India :—			
For the year 1902–03 - 623,400 - -			
Less—Refund of overpayment for the year 1901–02 - - - 8,363 - -			
	615,037 - -		
Pay of Non-effective Colonels of Royal Artillery	20,769 2 11		
Pay and Pensions of Non-effective and Retired Officers of the Indian Service - - -	1,602,887 - -		
Compassionate Allowances of Officers removed from the Service, &c. - - - - -	1,985 8 3		
Pensions of Non-commissioned Officers and soldiers	4,501 13 -		
Pensions of Widows and Families of Officers killed in the Mutiny, or otherwise in discharge of duty	10,586 8 -		
Pensions of Widows and Families of Officers, &c., of the Indian Service - - - - -	65,456 2 2		
Gratuities to Widows and Families of Officers killed in action - - - - - -	766 10 -		
Indian Military Service Family Pensions, towards which the Officers subscribed - - -	41,801 7 2		
Cost of Medals - - - - - -	8 7 7		
		2,363,798 19 1	
			5,290,656 19 10
TOTAL EXPENDITURE CHARGEABLE AGAINST REVENUE (carried forward) - £			18,361,820 14 9

No. 1.—Account of the Receipts and Disbursement of the Home Treasury

	£	s.	d.
Brought forward - -	7,387,941	8	8

Receipts—*continued.*

CAPITAL RECEIPTS FROM RAILWAY COMPANIES:*

On account of Subscribed Capital:

	£	s.	d.	£	s.	d.
State:						
Bengal-Nagpur Railway - - - -	750,000	–	–			
Burma Railways - - - - - -	440,154	12	9			
Southern Mahratta Railway - -	100,000	–	–			
				1,290,154	12	9

On account of Transfer Fees, and Miscellaneous Refunds:

	£	s.	d.	£	s.	d.
State:						
Assam-Bengal Railway -	267	16	–			
†Bengal Central Railway -	130	1	10			
Bengal-Nagpur Railway -	407	17	1			
Burma Railways - -	211	6	7			
Indian Midland Railway -	36	5	–			
‡Rohilkund and Kumaon Railway - - -	9	7	–			
Southern Mahratta Railway	209	5	11			
				1,271	19	5
Guaranteed:						
Bombay Baroda and Central India Railway - -	731	19	5			
Madras Railway - -	1,008	6	5			
				1,740	5	10
						3,012 5 3
						1,293,166 18 –
Carried forward - - £						8,681,108 6 8

* *See* note on opposite page.
† *See* note on page 13.
‡ Although for convenience the Rohilkund and Kumaon Railway is classed among the State Railways, the portion of the Line from Bhojpur to Kathgodam is the property of the Company.

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued.*

	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward - -							18,361,820	14	9
DISBURSEMENTS—*continued.*									
EXPENDITURE NOT CHARGED TO REVENUE:									
CAPITAL OUTLAY ON RAILWAYS AND IRRIGATION WORKS:									
STATE RAILWAYS:									
Stores for India - - - - - -	1,281,098	16	2						
Salary and expenses of Consulting Engineer and Staff, pay and passage of Officers on appointment, &c. - -	9,793	3	5						
				1,290,891	19	7			
Purchase of the Nilgiri Railway Company's Undertaking -				236,175	–	–			
Payments to the Madras Railway Company for the construction of the Azikhal-Mangalore Railway - -				2,276	14	4			
				1,529,343	13	11			
IRRIGATION WORKS:									
Stores for India - - - - - - - - - -				6,679	–	5			
							1,536,022	14	4
PAYMENTS TO RAILWAY COMPANIES ON CAPITAL ACCOUNT*:									
FOR DISCHARGE OF DEBENTURES, &C.:									
State:									
Assam-Bengal Railway -	4,100	–	–						
Bengal-Nagpur Railway -	5,247	–	–						
Indian Midland Railway -	2,106	–	–						
				11,453	–	–			
Guaranteed:									
Madras Railway - - - - -				11,066	10	–			
							22,519	10	–
ON ACCOUNT OF STORES, ESTABLISHMENT CHARGES, &C.:									
State:									
Assam-Bengal Railway -	91,871	3	9						
†Bengal Central Railway -	5,888	19	8						
Bengal-Nagpur Railway -	518,225	1	1						
Burma Railways - -	151,082	8	7						
Indian Midland Railway -	12,588	6	9						
‡Rohilkund and Kumaon Railway - - -	62,471	6	9						
Southern Mahratta Railway	52,477	15	4						
				894,605	1	11			
Guaranteed:									
Bombay Baroda and Central India Railway - -	151,836	19	2						
Madras Railway - -	312,457	13	10						
				464,294	13	–			
							1,358,899	14	11
									1,381,419	4	11
Carried forward - £									21,279,262	14	–

* Receipts from, and Advances to, the East Indian, the South Indian, the Great Indian Peninsula, and the Bengal and North-Western Railway Companies, and Advances to the Bombay Baroda and Central India Railway Company on account of the Rajputana-Malwa Railway, are treated as Remittances.

† *See* note on page 13.

‡ *See* note on page 18.

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury

							£	s.	d.
Brought forward - - -							8,681,108	6	8
RECEIPTS—*continued.*									
DEBT:									
PERMANENT DEBT INCURRED:									
India 3 per Cent. Stock—Loan issued:									
				£	s.	d.			
Created under Act 1 Edward VII, Ch. 25, for discharge of 1,368,800*l.* Great Indian Peninsula Railway Debentures -				1,351,974	4	4			
Created for General Purposes - - - - - - -				148,025	15	8			
				1,500,000	-	-			
TEMPORARY DEBT INCURRED:									
Temporary Loans on security of India Bills - - - -				3,500,000	-	-	5,000,000	-	-
DEPOSITS AND ADVANCES:									
REPAYMENT OF ADVANCES:									
Repayment by the Imperial Government of									
Expenditure in England in connection with the Despatch of Troops to South Africa - - - - - - - -				14,977	3	3			
Expenditure brought to account in England during 1901–02 and 1902–03 in connection with the visit, on the occasion of His Majesty's Coronation, of Indian Princes, Delegates, and Troops - - - - - - - - - - -				53,168	14	2			
				68,145	17	5			
MISCELLANEOUS DEPOSITS:									
Gold Reserve Fund:									
	£	s.	d.						
Sum remitted to this country by means of Bills of Exchange and Telegraphic Transfers on India - - - -	263,000	-	-						
Dividends on Investments - - -	93,084	16	11						
				356,084	16	11			
							424,230	14	4
Carried forward - - £							14,105,339	1	-

of the Government of *India*, from 1st April 1902 to 31st March 1903—*continued*.

	£	s.	d.	£	s.	d.
Brought forward - - -				21,279,262	14	–
DISBURSEMENTS—*continued*.						
DEBT:						
PERMANENT DEBT DISCHARGED:						
Great Indian Peninsula Railway Debentures - - - - -	1,368,800	–	–			
India 3½ per Cent. Stock, purchased with East Indian, Eastern Bengal, and Scinde Punjab and Delhi Railway Sinking Funds, and Discount Sinking Funds (*see* pages 12 and 3 respectively)	—					
	1,368,800	–	–			
TEMPORARY DEBT DISCHARGED:						
Temporary Loans on security of India Bills - - - - -	4,000,000	–	–			
				5,368,800	–	–
DEPOSITS AND ADVANCES:						
ADVANCES REPAYABLE:						
Recoverable from the Imperial Government:						
Expenditure incurred in England in connection with the China Expeditionary Force - - - - - - - - - -				25,368	16	1
Expenditure in England in connection with the Despatch of Troops to South Africa - - - - - - - - -				14,977	3	3
Expenditure incurred in England in connection with the Somaliland Expedition - - - - - - - -				759	4	3
Expenditure brought to account in England in connection with the visit, on the occasion of His Majesty's Coronation, of Indian Princes, Delegates, and Troops:						
Entertainment of Indian Princes and Delegates - - - - -	32,244	13	7			
Entertainment of Indian Troops and Volunteers - - - - -	13,981	9	10			
State Reception at the India Office -	6,879	17	7			
				53,106	1	–
				94,211	4	7
MISCELLANEOUS DEPOSITS:						
Gold Reserve Fund: Investment of Receipts in the purchase of 385,266*l.* 14*s.* 6*d.* 2¾ per Cent. Consolidated Stock - - - -	356,085	3	–			
Portion of outstanding Interest of the Great Indian Peninsula Railway Company, repaid by the Company on the purchase of its Undertaking by the State, claimed during the year by the persons entitled thereto -	83	18	6			
				356,169	1	6
						450,380 6 1
Carried forward - - £						27,098,443 - 1

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury of

	£	s.	d.	£	s.	d.
Brought forward				14,105,339	1	–
RECEIPTS—*continued.*						
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:						
Repayments by His Majesty's Treasury and other Public Departments, in respect of						
Disbursements in India in connection with the War in South Africa				535,022	16	9
Expenses attending the employment of Indian Native Troops at Suakin				2	14	–
Expenditure brought to account in India in connection with the visit, on the occasion of His Majesty's Coronation, of Indian Native Troops				16,831	5	10
Advances in India on account of the Emigration of Coolies, and supplies to His Majesty's Ships on the East India Station				90,170	9	–
Pensions paid in India to Out-pensioners of Chelsea Hospital, &c.				24,102	2	–
Expenses incurred in India in connection with the enlistment of Natives of India for service in the Colonies				2,779	2	6
Expenses incurred in connection with the despatch of Indian Native Troops to the Mauritius				27,222	5	10
Remittances paid in India on behalf of Officers and men of the Hong Kong Regiment and Asiatic Artillery				26,220	7	2
Miscellaneous advances made in India				80,637	5	–
				802,988	8	1
Estates remitted from India by Administrators General by means of Bills on London				17,904	6	11
East Indian Railway Company:	£	s.	d.			
On account of Debenture Stock issued	1,452,138	16	2			
Transfer fees and miscellaneous refunds	7,292	1	11			
				1,459,430	18	1
South Indian Railway Company: Transfer fees and miscellaneous refunds				1,260	4	9
Bengal and North-Western Railway Company: ditto				6,471	5	3
Great Indian Peninsula Railway Company: ditto				1,144	19	2
Miscellaneous receipts				15,588	14	9
Gold received from India: net sale proceeds				497,207	2	11
Bills of Exchange and Telegraphic Transfers on India	18,499,946	9	7			
Less—Appropriated to Gold Reserve Fund under "Miscellaneous Deposits"	263,000	–	–			
				18,236,946	9	7
						21,038,942 9 6
					£	35,144,281 10 6

India Office, 15 September 1903.

India Audit Office, 10 May 1904.

I certify that this Account has been examined under my directions; and that,

For Statement showing new or increased salaries or pensions granted or created within the

the Government of *India*, from 1st April 1902 to 31st March 1903—*continued*.

		£ s. d.
	Brought forward - - -	27,098,443 – 1
DISBURSEMENTS—*continued*.		
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:		
Payments to His Majesty's Treasury and other Public Departments, on account of	£ s. d.	
Postal and Money Order transactions - - - -	60,355 4 4	
China Expeditionary Force: Balances of Field Examiner's accounts - - - - - - - - -	5,506 2 9	
Little Basses Light Vessel Dues - - - -	5,970 5 2	
Balances of Shipping Masters' accounts - - - -	2,229 2 6	
Miscellaneous - - - - - - - - - -	701 6 7	
	74,762 1 4	
Family and Miscellaneous Remittances - - - - -	52,439 10 1	
Remittances by Administrators General - - - - -	30,543 7 10	
East Indian Railway Company: For discharge of Debentures - - - £ 150,000 – –		
Advances for purchase of Stores, &c. - £ 622,781 17 5		
	772,781 17 5	
Rajputana-Malwa Railway: Advances for purchase of Stores, &c.	181,654 9 11	
South Indian Railway Company: ditto - -	125,561 – 1	
Bengal and North-Western Railway Company: ditto - -	114,145 – 2	
Great Indian Peninsula Railway Company: ditto - -	356,523 10 3	
Stores chargeable to Provincial and Local Funds and to Native States - - - - - - - - - - - -	161,949 2 –	
Bills drawn by the Mission to the Court of Persia, in respect of advances made on Indian account - - - - - -	48,000 – –	
Pay and Pensions chargeable to Native States, Local Funds, &c.	28,937 15 1	
Miscellaneous payments to be brought to charge or recovered in India - - - - - - - - - - - -	45,754 5 9	
Purchase of Silver - - - - - - - - - -	285,000 – –	
		2,278,051 19 11
TOTAL DISBURSEMENTS - - - £		29,376,495 – –
BALANCE on the 31st March 1903, including Sums in the hands of Sub-Accountants		5,767,786 10 6
	£	35,144,281 10 6

Arthur Guillum Scott, Accountant-General.

subject to the observations contained in the annexed Report, it is correct.

Frederick C. Holiday, Auditor.

year 1902-03, *see* pages 52 and 53 of the Home Accounts presented in May 1903, No. 157.

No. 2.

REPORT of the AUDITOR upon the INDIAN HOME ACCOUNTS, from 1st April 1902 to 31st March 1903; prepared and submitted to Parliament and to the Secretary of State in Council in pursuance of 52nd section of the Government of India Act, 1858.

1. THE several sums which were stated in my Report on the Account for 1901–02 to be surcharged or disallowed have been adjusted with the exception of the following items; those marked, * though now actually recovered or adjusted, were outstanding on 31st March 1903.

	£	s.	d.		£	s.	d.	
Surcharge - -	*806	3	–	part of	822	19	–	
Ditto - -	1,228	12	–	,,	1,394	2	–	
Disallowance -	*9	5	–					
Ditto - -	57	13	10	,,	130	3	10	*See* paragraph 37 of my last Report.
Ditto - -	63	10	–	,,	116	10	–	
Ditto - -	*318	10	–					
Ditto - -	*1,811	8	–					
Ditto - -	*45	–	–	,,	1,087	–	–	
Ditto - -	*78	12	7	,,	150	18	2	

2. The sum of 1,566*l.* 18*s.* 10*d.*, representing several outstanding short credits and overpayments on account of the year 1901–02, which were in dispute, or of which the amounts could not be stated at the date of my Report for that year (*see* paragraphs 11, 17, 33, and 35) has now been admitted, but as it had not been received within the period of this Account, it is included among the surcharges.

3. Of the advances, amounting to 229,000*l.* made to the War Office in 1901-02 for Stores under manufacture in the Ordnance Factories, alluded to in paragraph 34 of my last Report, the sum of 56,464*l.* 13*s.* 1*d.* remained unadjusted on 31st March 1903.

4. No adjustments were made in the year 1902–03 on account of the conveyance of Imperial passengers in Indian transports, either (*a*) in respect of the year 1898–99, referred to in paragraph 3 of my last Report, or (*b*) in respect of later years.

As regards (*a*) the sum of 523*l.* 13*s.* has been since received.

As regards (*b*) the passage rates for the years 1899–1900 onwards have not yet been fixed. I have objected to the proposed continued application of the 1898–99 rates in certain cases where the cost of conveyance was greatly enhanced, and the matter is still under consideration.

5. No adjustments have been made in respect of the further question which I raised regarding the passages of non-commissioned officers and men (*see* paragraph 11 of my last Report), whose transfer having been effected by direct communication between the War Office and the Commander-in-Chief in India, had not previously come under my notice. The question is still the subject of correspondence.

6. With reference to the outstanding questions connected with the Indo-Colonial reliefs (*see* paragraph 5 of my last Report) a reply has been received from the Government of India in reconsideration of the whole question, on which I have fully reported, pointing out that while the system has now been in force since 1891–92 the condition upon which its introduction was agreed to, viz., that "any extra expense caused by this arrangement will of course be borne by Imperial Funds," has not yet been fulfilled in the following respects, viz. : –

a. Its application to Artillery reliefs.

b. The cost of Inland movements, sea transport only having been adjusted.

c. The cost of arrival issues of clothing and bedding.

d. The cost of drafts to make up deficient units.

e. The pay, rations, &c. of the additional regiment brought on to Indian charge for any period of overlapping involved in an interchange.

7. With reference to the sums recoverable from the Imperial Government in respect of furlough and voyage pay of officers and men in connection with the formation of new units, referred to in paragraph 31 of my last Report, 2,843*l*. 15*s*. has been received during the year 1902–03.

8. I now proceed to deal with the Accounts for 1902–03, on which I have to make the following observations.

The surcharges and disallowances outstanding at the close of the year are set forth in the summary at the end of this Report, paragraph 26.

RECEIPTS.

Army—Effective :

9. Indian Troop Service: Receipts from the Admiralty, recoveries on account of messing, &c. - - - - £38,472 18*s*. 6*d*.

The above amount includes 25,000*l*. (being advances on account) for the extra cost incurred in voyages *viâ* the Cape in the interests of the Imperial Government, the adjustment of which will appear in subsequent Accounts.

It also includes a sum of 2,620*l*. 0*s*. 8*d*. for conveyance in connection with the new units, and for other transfers in the interests of the War Office. A further considerable amount is however involved, which is still the subject of correspondence.

It also includes a sum of 4,000*l* (referred to in paragraph 4 of my last Report) as an advance on account of the interchange of regiments and batteries at Mediterranean Stations from 1894–95 to 1899–1900, the balance being received in 1903–04.

I have raised queries with a view to the recovery of the cost of passages chargeable to Imperial Revenues, amounting to 2,073*l*. 16*s*. 6*d*., which must be surcharged.

There are further sums recoverable, amounting to several thousands of pounds, in respect of the passages to England of details and families in connection with regiments transferred for service in South Africa. The exact amount cannot yet be stated.

Remittance Account between England and India:

10. Expenses incurred in connection with the despatch of Indian Native Troops to the Mauritius - - - £27,222 5*s.* 10*d.*

The pay of Native Regiments employed at Colonial garrisons has been debited to the Imperial Government only from the date of embarkation to that of disembarkation on return, an arrangement applicable to the five regiments for whose raising and training the War Office have paid. (*See* paragraph 12 of my last Report).

I have raised a question as to the incidence of the pay of regiments so employed, in excess of five, from the date of leaving their stations to that of return, and the Government of India has been instructed to raise the necessary additional debits against the War Office.

DISBURSEMENTS.

Post Office:

11. Payments under the Postal arrangement with the Lords of His Majesty's Treasury - - - - - - £52,000 – –

This amount, like those in previous years during the currency of the Mail Contract in force from 1st February 1898 to 31st January 1905, has been paid subject to adjustment on receipt of an account to be prepared by the General Post Office in accordance with the principles of Lord Morley's Award.

Such an account has now been received, based on the statistics of the year 1901, the middle year of the contract, and an adjustment account is in course of preparation which will involve a considerable further payment to the Post Office.

Telegraph:

12. Indo-European Telegraph: Payments in respect of Revenue: Joint Purse Agreement - - - - *£23,972 12s. 6d.*

This amount is subject to modification. The decision on the questions between the Indo-European Telegraph Company and the other parties to the Joint Purse Agreement, which had been referred to arbitration (*see* paragraph No. 14 of the last Report), was not given till August 1903, and adjustments on this account for 1902-03 were consequently in abeyance.

General Administration:

13. Store Department: Wages of artificers and labourers, commission of professional inspectors, travelling expenses, rates and taxes, repairs, supplies, &c. - - - £23,932 13*s.* 9*d.*

The sum of 51*l.* 7*s.* 10*d.* incurred in connection with the Coronation Reception, and not recovered within the year, together with overpayments amounting to 18*s.* 2*d.*, must be disallowed.

Marine:

14. Contribution towards the expenses of His Majesty's Ships employed in the Indian Seas, &c. - - - - - £105,475 7*s.* 1*d.*

The conditions upon which the subsidy of 100,000*l.* is payable for this service have been fulfilled. The balance, viz., 5,475*l.* 7*s.* 1*d.*, is chiefly for coal supplied to vessels for service in the Persian Gulf.

15. Subsidy to the Admiralty for manning and maintaining Indian Government Defence Vessels - - - - - £61,600 - -

The subsidy, which has been paid in full for the year 1902–03, is subject to a proportionate abatement in respect of the "Plassy," which was sent home and paid off in this country on 30th June 1902, and of the "Magdala," the "Abyssinia," and three Torpedo Boats, which were paid off in India on 20th February 1903.

The amount can therefore only be passed as subject to adjustment.

16. Cost of alterations to Torpedo Boat Defence Vessels, and passage of officers and men of Defence Vessels not covered by the subsidy - - - - - - - £4,637 10*s.* 11*d.*

The sum of 56*l.* 10*s.* 3*d.* for the passage of an officer to take the command of the "Assaye," erroneously charged to India, must be disallowed.

17. Stores for India - - - - - - - - - £74,893 13*s.* 5*d.*

This amount includes a sum of 7,187*l.* 17*s.* 5*d.* paid to the Admiralty, which has not yet been vouched or accounted for, and must be treated as an advance subject to adjustment.

Stationery and Printing:

18. Stationery, printing, and bookbinding, for the India Office, &c. - - - - - - - - - - - - - £7,408 17*s.* 4*d.*

The sum of 89*l.* 13*s.* 2*d.* incurred for printing, &c. in connection with the China Expedition, and not recovered within the year, must be disallowed.

Army—Effective:

19. Payments to the Imperial Government on account of Disbursements by the War Office in respect of His Majesty's British Forces serving in India:—

For the year 1902–03 - - -	£852,000 - -	
Less—Adjustments through War Office Miscellaneous accounts	£6 13 3	
		£851,993 6*s.* 9*d.*

No adjustment was effected till 1903–04 of the advances, 605,000*l.*, made in respect of 1901–02—*see* paragraph 18 of my last Report.

The above sum of 852,000*l.* simply represents the four quarterly advances for 1902–03, made to the War Office upon their estimate, which, being in excess of the amount actually due, was adjusted by a refund in 1903–04.

The various points involved in the payment for Effective Services, to which I referred in paragraphs 22-30 of my last Report, will therefore come up for consideration next year, viz.: The maintenance of the Establishment for which India makes the capitation payment; the Deferred Pay, of which I have made the usual test audit; the Gratuities on Discharge, the proportion of which chargeable against Indian Revenues has been revised; and the extinction of India's liability for Deferred Pay during the training period by a lump sum payment, which has been agreed upon.

20. Furlough allowances of Officers of the Indian Service - £250,604 19*s.* 9*d.*

The sum of 123*l.* 3*s.* 2*d.*, being on account of Officers employed on Imperial service, together with overpayments amounting to 184*l.* 5*s.* 7*d.*=307*l.* 8*s.* 9*d.*, must be disallowed.

21. Indian Troop Service - - - - - - - - £345,498 18*s.* 11*d.*

I have raised queries in respect of passages chargeable to the Imperial Government amounting to 2,159*l.* 4*s.*, which must be disallowed. They are chiefly in connection with (*a*) the conveyance to India of the wives and families of men whose regiments have been serving in South Africa, and (*b*) the conveyance of detachments to make up the strength of Regiments returning to India from service in South Africa.

There are further sums recoverable under the latter head, the amount of which cannot be stated until the passage rates for the year are fixed.

22. Stores for India: Clothing - - - - - - £183,149 6*s.* 8*d.*

Overpayments amounting to 302*l.* 17*s.* 11*d.* must be disallowed.

There are some further items which have been questioned, the amount of which cannot at present be stated.

23. Stores for India: Ordnance and Miscellaneous - - £1,015,004 12*s.* –

This amount includes advances to the War Office amounting to £186,000, paid subject to future adjustment.

Sums amounting to 3,945*l.* 6*s.* 10*d.* must be disallowed, mainly in respect of queries I have raised with regard to the supply of Batteries of Horse and Field Artillery in replacement of those sent to South Africa.

Further queries on the same subject are still under consideration, a considerable additional sum having been admitted as due to Indian Revenues, though the exact amount cannot be now stated.

24. Stores for India: Supply and Transport Corps - - - £45,864 16*s.* 8*d.*

This amount includes a sum of 49*l.* 12*s.* 2*d.* paid to the Admiralty, which has not been vouched or accounted for, and must be treated as an advance subject to adjustment.

Army—Non-Effective:

25. Payments to the Imperial Government on account of Retired Pay, Pensions, &c., of H.M.'s British Forces, for service in India:—		
For the year 1902–03 - - - - - -	£623,400	
Less—Refund of over-payment for the year 1901–02 - - - - - - - -	8,363	
		£615,037

The sum of 623,400*l.* is an advance subject to adjustment. By deducting the refund of 8,363*l.* from the advance of 587,280*l.* made in the preceding year, the actual payment for 1901–02 is arrived at—viz., 578,917*l.*, which is certified to be the net charge against India in that year for Retired Pay and Pensions granted since 1st April 1884, payable by the Imperial Exchequer.

26. The following is a list of the Surcharges and Disallowances on the Account for the year 1902-03 :—

Description and Amount of item in the Account.		Surcharge.	Disallowance.
RECEIPTS :—	£. s. d.	£. s. d.	£ s. d.
Receipts in aid of Superannuation Allowances and Pensions :			
Subscriptions towards Indian Civil Service Family Pensions	6,069 4 6	- 9 2	
Other Public Works :			
Civil Works and Miscellaneous Services :			
Royal Indian Engineering College—			
Receipts for testing-work done in the laboratories ; and sale proceeds of provisions, farm produce, &c. -	6,220 13 5	10 12 7	
Army, Effective :			
Value of Clothing, Accoutrements, &c., in possession of Regiments on transfer to the British Establishment :			
Clothing and necessaries - - - - - - -	13,729 6 4	1,414 9 5	
Ordnance and Miscellaneous - - - - -	50,531 - 6	42 7 11	
Indian Troop Service : Receipts from the Admiralty, recoveries on account of Messing, &c. - - - - -	38,472 18 6	2,073 16 6	
Passage of Officers and Troops : Recoveries on account of Messing, &c. - - - - - - - - - - -	146 11 -	12 15 -	
Army, Non-effective :			
Subscriptions towards Indian Military Service Family Pensions - - - - - - - - - -	24,934 13 4	- 4 8	
DISBURSEMENTS :—			
Telegraph :			
Telegraph Lines in India : Stores for India - - -	150,861 13 10		9 5 -
General Administration—England :			
Store Department : Wages of Artificers, &c. - - -	23,932 13 9		52 6 -
Office Contingencies, &c. - - - - - - - -	13,950 16 -		- 15 11
Marine :			
Passage of Officers and Men of Defence Vessels, &c., not covered by Subsidy - - - - - - - -	4,637 10 11		56 10 3
Scientific and other Minor Departments :			
Remuneration to Officers specially employed, &c. - -	4,533 13 5		- 10 -
Stores for India - - - - - - - -	16,275 12 2		- 6 -
Superannuation Allowances and Pensions :			
Compassionate and Miscellaneous Pensions - - -	7,327 10 1		- 2 8
Annuities in respect of Funds—Madras Military Fund -	191,920 19 10		17 10 8
Indian Navy Fund -	15,029 5 10		- 2 7
Stationery and Printing :			
For the India Office - - - - - - - - -	7,408 17 4		89 13 2
Stores for India - - - - - - - - -	94,939 1 -		- 17 3
Miscellaneous :			
Expenses in connection with the Indian Plague Commission - - - - - - - - - -	583 19 7		- 9 6
Miscellaneous Charges connected with the Supply of Stores to India, Commission on Freight, &c - - -	6,628 17 8		19 10 4
Army—Effective :			
Furlough Allowances of Officers of the Indian Service -	250,604 19 9		307 8 6
" " British Regiments -	106,628 8 6		298 18 9
Indian Troop Service - - - - - - - -	345,498 18 11		2,159 4 -
Passage of Officers and Troops - - - - - - -	21,831 1 8		382 8 4
Military Officers under technical instruction - - -	3,298 18 8		160 4 -
Stores for India : Clothing - - - - - - -	183,149 6 8		302 17 11
" " Ordnance and Miscellaneous - - -	1,015,004 12 -		3,945 6 10
" " Medical - - - - - - -	46,930 9 8		41 6 7
Army—Non effective :			
Pay and Pensions of Officers of the Indian Service - -	1,602,887 - -		- 2 8
Remittance Account between England and India :			
Stores chargeable to Provincial and Local Funds, &c. -	161,949 2 -		3 1 2
	£	3,554 15 3	7,848 18 4

	£ s. d.
27. To the Balance, as shown in the present Account, - -	5,767,786 10 6
the following sums must be added :—	

	£. s. d.	£ s. d.
Surcharges on previous Account - - -	3,601 13 10	
Ditto - present Account - - -	3,554 15 3	
Disallowances on previous Account - - -	2,383 19 5	
Ditto - present Account - - -	7,848 18 4	
		17,389 6 10
	£.	5,785,175 17 4

India Audit Office,
10 May 1904.

Frederick C. Holiday, Auditor.

No. 3.

REPORT of the AUDITOR of the INDIAN HOME ACCOUNTS on the STORES ACCOUNTS from 1st April 1902 to 31st March 1903; prepared, and submitted to Parliament and to the Secretary of State in Council, in pursuance of 52nd Section of the Government of India Act, 1858.

1. As regards the packing accounts reported last year as not having been returned, 8 have been received in respect of the year 1900–01, and 68 in respect of the year 1901–02; leaving 103 and 101, respectively, to be accounted for.

2. The number of packing accounts sent to India in 1902–03 was 5,366, of which 133 were not returned.

India Audit Office,
10 May 1904.

Frederick C. Holiday, Auditor.

No. 4.

SUMMARY of PAYMENTS in the Year 1902-03 for Stores procured for Shipment to India, &c

	Stores.			Freight.			TOTAL.		
	£	s.	d.	£	s.	d.	£	s.	d.
Expenditure charged against Revenue :									
Opium	4,193	4	6	253	4	5	4,446	8	11
Salt	137	2	8	4	15	7	141	18	3
Stamps	31,618	14	7	279	12	4	31,898	6	11
Excise	8	10	1	—			8	10	1
Customs	143	4	7	1	16	10	145	1	5
Forest	100	6	2	1	17	8	102	3	10
Post Office	46,669	17	10	1,245	9	2	47,915	7	–
Telegraph :									
Telegraph Lines in India	142,684	19	11	8,176	13	11	150,861	13	10
* Indo-European Telegraph	37,483	9	11	2,621	12	3	40,105	2	2
Mint	7,787	3	10	563	6	–	8,350	9	10
General Administration	20,150	13	4	260	7	4	20,411	–	8
Law and Justice	63	11	6	1	4	11	64	16	5
Marine :									
Coal	11,188	14	6	6,864	2	11	74,893	13	5
Miscellaneous	54,340	11	2	2,500	4	10			
Political	191	7	6	54	18	6	246	6	–
Scientific and other Minor Departments	16,038	8	3	237	3	11	16,275	12	2
Stationery and Printing	91,685	11	3	3,253	9	9	94,939	1	–
Famine Relief and Insurance	962	1	4	81	15	3	1,043	16	7
Irrigation ; Minor Works and Navigation	1,901	4	5	16	–	6	1,917	4	11
Other Public Works :									
Military Works	57,468	16	2	5,138	5	9	62,607	1	11
Civil Works and Miscellaneous Services	6,289	8	7	532	14	–	6,822	2	7
Army :									
Clothing	133,523	18	9	1,353	2	7	183,149	6	8
Ditto, taken to India with Troops	48,272	5	4	—					
Ordnance and Miscellaneous	994,371	6	1	19,462	13	8	1,015,004	12	–
Ditto, Arms, &c. taken to India with Troops	1,170	12	3	—					
Medical	45,815	16	–	1,114	13	8	46,930	9	8
Supply and Transport Corps	44,737	4	6	1,127	12	2	45,864	16	8
£	1,798,998	5	–	55,146	17	11	1,854,145	2	11
Expenditure not charged to Revenue :									
State Railways	1,212,826	14	6	68,272	1	8	1,281,098	16	2
Irrigation Works	6,040	18	4	638	2	1	6,679	–	5
Advances Repayable :									
In connection with the China Expeditionary Force, recoverable from the Imperial Government	14,596	4	–	385	10	2	14,981	14	2
In connection with the Despatch of Troops from India to South Africa, recoverable from the Imperial Government	—			–	3	3	–	3	3
Remittance Account :									
Stores chargeable to Provincial and Local Funds and to Native States :									
Railway Stores	22,100	1	3	2,413	6	7	161,949	2	–
Other Stores	128,602	6	1	8,833	8	1			
TOTAL £	3,183,164	9	2	135,689	9	9	3,318,853	18	11

* In Statement No. 4 of the Finance and Revenue Accounts, the payments for Stores under this head are included among "Other Charges."

No. 5.

STATEMENT of the NET EXPENDITURE and RECEIPTS on account of the ROYAL INDIAN ENGINEERING COLLEGE, during the Year ended 31st March 1903.

	£	s.	d.	£	s.	d.
NET EXPENDITURE :						
Salaries and Allowances of President, Professors, Lecturers, Examiners, Chaplain, &c.				9,471	19	11
Steward's Salary, Wages of Servants, Expenses of Laundry, &c.				3,294	12	–
Rates and Taxes, Maintenance of Buildings, Repairs of Furniture, &c.				3,730	4	3
Lights, Fuel, and other House Articles				1,538	–	4
Provisions, Wines, &c.				4,581	10	1
Advertisements, Postage, Travelling Expenses, &c.				280	9	9
Library, Laboratory, Workshops, &c., Expenses of Students visiting Works and Forests, Continental Tour of Forest Students, &c.				649	16	10
Garden, Farm, and Dairy				*— 90*	*18*	*5*
EXPENDITURE :						
Salaries of President, Professors, &c.; Wages of Servants; Provisions and Contingent Expenses; and Continental Tour of Forest Students (page 15)	29,676	8	2			
Less,—				23,455	14	9
Receipts for testing work done in the Laboratories; and Sale Proceeds of Provisions, Farm Produce, &c. (page 4)	6,220	13	5			
RECEIPTS :						
Fees and Caution Money received from Students (page 4)	22,458	–	–			
Less,—				22,219	–	2
Refund of Caution Money (page 15)	238	19	10			
Net Expenditure, excluding Interest on Capital Outlay			£	1,236	14	7

Cost of alterations and additions to the College Buildings, &c. (page 15) - - - £8,565 4 10

Arthur Guillum Scott, Accountant-General.

No. 6.

ACCOUNT of the CHARGES and RECEIPTS in respect of the INDIAN TROOP SERVICE from 1st April 1902 to 31st March 1903.

					£	s.	d.
1. Capital Charges of the Service						—	
2. Salaries of Establishments in England and India						3,943	8 7
3. Hire and Fittings of Transports						169,912	6 3
4. Coal						45,206	9 10
5. Mess of Officers						8,233	10 8
6. Provisions and Stores for Troops and Horses						42,213	16 –
7. Miscellaneous Charges						6,611	15 6
8. Suez Canal Transit Charges						32,768	14 5
9. Miscellaneous Expenses						1,690	9 2
10. Conveyance in other than Hired Transports.		£	s.	d.			
	Troops on Freight, &c. :—						
	"Olympia," "Malacca," "Persia," "Egypt," "Circassia," &c.	22,601	2	8			
	Royal Indian Marine Ships.:—						
	"Hardinge": Messing, Provisions, Canal Charges, &c.	4,098	8	2			
	"Canning": Adjustment in respect of Hire, appearing in Account for 1901-02	*—1,786*	*6*	*10*			
	Imperial Transports :—						
	Troops on Indian Service conveyed in "Sicilia," "Bavarian," and "Armenian"	12,195	8	8			
	Miscellaneous	70	6	8			
					37,478	19	4
11. Repayments on Account of Passages					*— 23*	*10*	–
					348,035	19	9
Deduct—							
Receipts from the Imperial Government for employment of the Hired Transports, for Passages of Officers, &c., and for Wear and Tear of Stores on Imperial Service					30,092	11	2
Recoveries on account of the Messing of Officers, &c., and Victualling of not-entitled 3rd Class Passengers, and for Rum Rations issued to Troops					509	16	1
Proceeds of Sale of Canteen Stores on board R.I.M.S. "Hardinge," and of Old and Unserviceable Stores, recoveries for losses or damage of Stores, and for Forage supplied for Officers' Horses					298	12	3
					30,900	19	6
					317,135	–	3
Net Expenditure in England as shown in the Home Accounts :—		£	s.	d.			
Disbursements (page 17)		345,498	18	11			
Receipts (page 6)		38,472	18	6			
					307,026	–	5
Net Expenditure in India, the rupee equivalent of which is shown in the Finance and Revenue Accounts :—							
Disbursements (page 209, Rs. 1,81,310)		12,087	2	2			
Receipts (page 202, Rs. 29,678)		1,978	2	4			
					10,108	19	10
					£	317,135	– 3

Stephen J. Graff,
for Director of Transports.

Admiralty, 9 December 1903.

No. 7. - - - - - - - -

COMPARISON of the ESTIMATED and ACTUAL RECEIPTS and DISBURSEMENTS

RECEIPTS.	1902-03. Budget Estimate, March 1902.	1902-03. Account.	Increase.	Decrease.	
REVENUE:					
INTEREST:	£	£	£	£	
Interest realised from investment of Cash Balance, &c. - - -	30,000	138,647	108,647	—	1
Premium realised on the issue of 1,500,000*l.* India 3 per cent. Stock	—	18,668	18,668	—	2
TELEGRAPH:					
Indo-European Telegraph: Message Revenue - - - -	4,200	6,173	1,973	—	3
MINT:					
Proceeds of sale of Indian Coins sent to this country for assay -	—	32	32	—	4
MEDICAL:					
Pensions, &c., of Lunatics appropriated to their maintenance -	1,500	1,446	—	54	5
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Sale proceeds of books, maps, &c. - - - - - - - - -	300	531	231	—	6
RECEIPTS IN AID OF SUPERANNUATION ALLOWANCES AND PENSIONS:					
Subscriptions, &c., to the Widows' Funds of the Home Establishment of the East India Company, and in respect of the India Office Provident Fund - - - - - - - - - -	14,000	13,117	—	883	7
Subscriptions in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund - - - - - - -	62,400	61,080	—	1,320	8
Subscriptions towards Indian Civil Service Family Pensions - -	5,000	6,069	1,069	—	9
Contributions towards Leave Allowances and Pensions of Civil Officers lent from India for Imperial Service - - - - -	—	2,311	2,311	—	10
MISCELLANEOUS:					
Miscellaneous receipts connected with the supply of Stores to India, and sundry items - - - - - - - - - -	2,500	6,954	4,454	—	11
RAILWAYS:					
STATE RAILWAYS:					
East Indian Railway: Rent of premises occupied by the Company - - - - - - - - - - - - -	200	230	30	—	12
SUBSIDIZED COMPANIES:					
Rohilkund and Kumaon Railway: Government share of Surplus Profits - - - - - - - - - - -	1,000	985	—	15	13
Southern Punjab Railway: Ditto, *ditto.* -	—	16,885	16,885	—	14
OTHER PUBLIC WORKS:					
CIVIL WORKS AND MISCELLANEOUS SERVICES:					
Royal Indian Engineering College: Fees from Students, &c. -	28,300	28,679	379	—	15
ARMY:					
Effective.					
Contribution by the Imperial Government in respect of					
Cost of the transport of Troops - - - - - - - -	130,000	130,000	—	—	16
Military Charges for Aden - - - - - - - - -	100,000	100,000	—	—	17
Value of clothing, accoutrements, &c., in possession of Regiments on their transfer from the Indian to the British Establishment; proceeds of sales of unserviceable stores; receipts on account of the Indian Troop Service; recoveries on account of messing, &c.	111,600	103,733	—	7,867	18
Non-effective.					
Subscriptions towards Indian Military Service Family Pensions -	24,000	24,935	935	—	19
Contributions towards Pensions of Indian Native soldiers lent for Imperial Service - - - - - - - - - - -	—	34,330	34,330	—	20
TOTAL RECEIPTS ON ACCOUNT OF REVENUE - £	515,000	694,805			

- - - - - - - - No. 7.

of the HOME TREASURY of the GOVERNMENT of *India*, for the Year 1902-03.

	EXPLANATIONS OF INCREASE OR DECREASE.
1	The sums available for investment were much larger, and the rate of interest obtained during a portion of the year was higher, than was estimated.
2	No premium was inserted in the Budget Estimate.
3	The dates of the receipts from the Imperial Ottoman Telegraph Administration on account of traffic balances are very uncertain.
7	The liabilities of the Regular Widows' Fund during the year 1901–02 being less than was expected, a smaller portion of the invested capital of that Fund was sold in 1902–03 under the Act of 1897.
8	The decrease occurred in the receipts on account of the Military Funds.
9	Subscriptions were raised by about 38 per cent. with effect from 1st September 1902.
10	Treated as a credit to Indian Revenues in this Country at the request of the Indian Authorities.
11	Of this increase, 3,477*l.* is due to the recovery of the value and freight of a cargo lost. There were also other exceptional receipts.
14	This is in respect of the four years 1898 to 1901.
15	There was an increase of 2,921*l.* in the receipts for testing-work done in the College Laboratories, &c.; on the other hand there was a decrease of 2,542*l.* in Fees from Students.
18	There was a decrease of 46,340*l.* in the value of articles in possession of regiments on their transfer from the Indian to the British Establishment, &c.; on the other hand, the Account includes 38,473*l.* in respect of the Indian Troop Service, whilst in the Budget the receipts on account of this Service were deducted from payments.
19	Sufficient provision was not made for the growth of these receipts.
20	Treated as a credit to Indian Revenues in this country at the request of the Indian Authorities.

No. 7.—Comparison of the Estimated and Actual Receipts and Disbursements

RECEIPTS—*continued.*	1902-03. Budget Estimate, March 1902.	1902-03. Account.	Increase.	Decrease.	
	£	£	£	£	
Total Receipts on account of Revenue, brought forward	515,000	694,805			
CAPITAL RECEIPTS FROM RAILWAY COMPANIES:					
On account of Subscribed Capital	3,844,100	1,290,155	—	2,553,945	1
On account of Transfer Fees and Miscellaneous Refunds	2,600	3,012	412	—	2
	3,846,700	1,293,167			
DEBT:					
PERMANENT DEBT INCURRED:					
India 3 per Cent. Stock—Loan issued	1,500,000	1,500,000	—	—	3
TEMPORARY DEBT INCURRED:					
Temporary Loans on security of India Bills	4,000,000	3,500,000	—	500,000	4
	5,500,000	5,000,000			
DEPOSITS AND ADVANCES:					
REPAYMENT OF ADVANCES:					
Repayment by the Imperial Government of Expenditure in England in connection with the Despatch of Troops to South Africa	—	14,977	14,977	—	5
Expenditure brought to account in England during 1901-02 and 1902-03 in connection with the visit, on the occasion of His Majesty's Coronation, of Indian Princes, Delegates, and Troops	—	53,168	53,168	—	6
MISCELLANEOUS DEPOSITS:					
Gold Reserve Fund:					
Sum remitted to this country by means of Bills of Exchange and Telegraphic Transfers on India	—	263,000	263,000	—	7
Dividends on Investments	87,400	93,085	5,685	—	8
	87,400	424,230			
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:					
Repayments by His Majesty's Treasury and other Public Departments, in respect of					
Expenditure incurred in India in connection with the China Expeditionary Force	600,000	—	—	600,000	9
Disbursements in India in connection with the War in South Africa	500,000	535,023	35,023	—	10
Advances in India on account of Emigration of Coolies, Chelsea Out-pensioners paid in India, Supplies to His Majesty's Ships on the East India Station, &c.	159,000	267,966	108,966	—	11
Estates remitted from India by Administrators General by means of Bills on London	24,000	17,904	—	6,096	12
East Indian Railway Company:					
On account of Debenture Capital	1,900,000	1,452,139	—	447,861	13
Transfer fees and miscellaneous refunds	1,000	7,292	6,292	—	14
South Indian Railway Company:					
On account of Debenture Capital	250,000	—	—	250,000	15
Transfer fees and miscellaneous refunds	400	1,260	860	—	16
Bengal and North-Western Railway Company: Transfer fees and miscellaneous refunds	600	6,471	5,871	—	17
Great Indian Peninsula Railway Company:					
On account of Debenture Capital	200,000	—	—	200,000	18
Transfer fees and miscellaneous refunds	1,000	1,145	145	—	19
Miscellaneous receipts	5,500	15,589	10,089	—	20
Gold received from India: net sale proceeds	—	497,207	497,207	—	21
Bills of Exchange and Telegraphic Transfers on India. (*see also* Gold Reserve Fund under "Miscellaneous Deposits")	16,500,000	18,236,947	1,736,947	—	22
	20,141,500	21,038,943			
Total Receipts £	30,090,600	28,451,145			

of the Home Treasury of the Government of *India*, for the Year 1902–03—*continued*.

	EXPLANATIONS OF INCREASE OR DECREASE.	£	£
1	The decrease is thus accounted for :—		
	Debentures renewed, instead of being replaced by fresh Capital :		
	Assam-Bengal Railway Company	495,900	
	Bengal-Nagpur Railway Company	1,234,400	
	Indian Midland Railway Company	421,200	
	Madras Railway Company	227,700	
			2,379,200
	Receipts on account of Capital less than Estimate :		
	Assam-Bengal Railway Company	4,100	
	Burma Railways Company	59,845	
	Madras Railway Company	110,800	
			174,745
			£2,553,945
4	It was decided not to replace 500,000*l.* of the India Sterling Bills for 1,000,000*l.* paid off in March 1903.		
5, 6	*See* corresponding payments.		
7, 8	*See* corresponding investment on the Payment side. The increase in dividends is due to investments having been made at an earlier date than was anticipated of sums previously remitted.		
9	Further advances postponed till 1903–04, at the request of the War Office.		
10	Owing to the prolongation of the war.		
11	The Account includes 16,831*l.* for expenditure brought to account in India in connection with the visit, on the occasion of His Majesty's Coronation, of Indian Native Troops. There were also increases on all the other accounts included under this head.		
12	The receipts were less than the average of recent years.		
13	The sum included in the Account is the net proceeds of an issue of 1,500,000*l.* Debenture Stock.		
14	The Account includes large receipts from Underwriters in respect of stores lost in transit to India.		
15	The Company did not issue any Capital within the year.		
16	The Account includes 792*l.* received from Underwriters in respect of stores lost in transit to India.		
17	The Account includes 5,879*l.* refunded by Main Lines account, being half cost of materials for Covered Goods Wagons.		
18	The Company did not issue any Capital within the year.		
20	The increase occurred mainly in the sale proceeds of timber.		
21, 22	It was intended to reduce the sales of Bills and Telegraphic Transfers by the amount of the gold remitted, but as there was a good demand for Council Bills at the end of the year, sales were effected towards meeting the net disbursements in 1903–04.		

No. 7.—Comparison of the Estimated and Actual Receipts and Disbursements

DISBURSEMENTS. **EXPENDITURE:**	1902-03. Budget Estimate, March 1902.	1902-03. Account.	Increase.	Decrease.	
	£	£	£	£	
LAND REVENUE:					
Law Charges in connection with Appeals from India	400	148	—	252	1
Stores for India	600	—	—	600	2
OPIUM: Stores for India	4,000	4,446	446	—	3
SALT: Stores for India	200	142	—	58	4
STAMPS: Stores for India	39,000	31,898	—	7,102	5
EXCISE: Stores for India	—	9	9	—	6
CUSTOMS: Stores for India	100	145	45	—	7
FOREST:					
Expenses in connection with Candidates for the Indian Forest Department, Passage to India on appointment, &c.	1,200	1,726	526	—	8
Stores for India	500	102	—	398	9
INTEREST ON DEBT (EXCLUDING THAT CHARGED TO RAILWAYS):					
Interest on Loans contracted in England	3,018,700	2,983,039	—	35,661	10
Discount Sinking Fund, in redemption of debt incurred in excess of money raised	20,100	20,120	20	—	11
INTEREST ON OTHER OBLIGATIONS: Interest on Deposits in Regimental Savings Banks of men returned from India	200	224	24	—	12
POST OFFICE:					
Payments under the Postal arrangement with the Lords of His Majesty's Treasury	52,000	52,000	—	—	13
Stores for India	48,300	47,915	—	385	14
TELEGRAPH:					
Indo-European Telegraph:					
Payments in respect of Revenue	35,700	46,122	10,422	—	15
Other Payments	56,300	42,283	—	14,017	16
Red Sea and India Telegraph	18,000	18,027	27	—	17
Indian Telegraph Department: Absentee Allowances and contingent expenses	4,500	5,663	1,163	—	18
Telegraph Lines in India: Stores for India	175,000	150,862	—	24,138	19
MINT:					
Stores for India	6,200	8,351	2,151	—	20
Other Payments	—	46	46	—	21
GENERAL ADMINISTRATION:					
Home Establishment, &c.	228,900	229,721	821	—	22
Payments on account of Administration in India	500	1,342	842	—	23
Stores for India	20,100	20,411	311	—	24
LAW AND JUSTICE:					
Stores for India	200	65	—	135	25
Other Payments	500	210	—	290	26
POLICE:					
Passage to India of Assistant Superintendents on appointment, &c.	900	1,675	775	—	27
MARINE:					
Contribution towards the expenses of His Majesty's Ships employed in the Indian Seas, &c.	105,000	105,475	475	—	28
Subsidy to the Admiralty for manning and maintaining Indian Government Defence Vessels	61,600	61,600	—	—	29
Sundry items	5,000	5,945	945	—	30
Stores for India	77,300	74,894	—	2,406	31
EDUCATION: Allowances to Indian Government Scholars, Passage to India of Educational Officers on appointment, &c.	1,700	1,882	182	—	32
ECCLESIASTICAL: Passage to India of Chaplains on appointment	400	646	246	—	33
MEDICAL:					
Maintenance of Lunatics	4,400	3,830	—	570	34
Pay, Passage, &c., of Medical Officers and Lady Nurses in connection with the Plague, &c.	—	4,584	4,584	—	35
POLITICAL:					
Contribution towards the Mission to the Court of Persia, and Minor Consulates	6,000	5,300	—	700	36
Sundry items	28,500	1,703	—	26,797	37
Stores for India	200	246	46	—	38
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Stores for India	13,900	16,276	2,376	—	39
Other Payments	18,700	17,181	—	1,519	40
TERRITORIAL AND POLITICAL PENSIONS:					
Members of the Family of the late Maharajah Duleep Singh	9,700	11,485	1,785	—	41
Members of the Bengal Nizamut Family	1,000	1,105	105	—	42
Carried forward £	4,065,500	3,978,844			

of the Home Treasury of the Government of *India*, for the Year 1902–03—*continued*.

	EXPLANATIONS OF INCREASE OR DECREASE.
2	Payments in respect of Stores included under this head in the Budget Estimate have been treated as Provincial in the Account.
3	The demands were larger than was indicated in the estimates received from India.
4 5	The demands were smaller than was indicated in the estimates received from India.
8	The Account includes 500*l.* for the cost of copies of Gamble's "Manual of Indian Timbers."
9	The Budget Estimate, which was framed here in the absence of any forecast from India, was too high.
10	There was a decrease of 26,565*l.* in interest on India Bills, due partly to 500,000*l.* Bills (portion of 1,000,000*l.*) discharged in March 1903 not having been replaced, and partly to the rate being lower than was estimated; also 10,000*l.*, which was included in the Budget Estimate for interest on temporary loans from the Bank of England, was not required.
15	Mainly owing to an increase in the homeward traffic as compared with the outward traffic.
16	The decrease occurred in Stores.
18	The increase occurred mainly in Absentee Allowances.
19	The demands were smaller than was indicated in the estimates received from India.
20	The demands were larger than was indicated in the estimates received from India.
22	The expenditure on telegrams to India was larger than had been estimated.
23	Owing to a large number of copies of special publications having been sent to India.
25	The demands were smaller than was indicated in the estimates received from India.
26	In the Budget Estimate provision was made for outfit allowance for one Judge, but no Judge went to India in the year.
27	The Account includes 516*l.* for return passages to India in connection with the Police Commission.
30	The Account includes a large payment of arrears in respect of passages from India of Officers of the Defence Vessels, not covered by the subsidy.
31	The demands were smaller than was indicated in the estimates received from India.
33	The Account includes 300*l.* for the passage and outfit allowance of the Bishop of Calcutta.
35	At the time the Budget Estimate was framed it was hoped that there would be no further expenditure on this account.
36	The contribution was reduced to 4,088*l.* a year from the 22nd of November 1902.
37	The Budget Estimate included 28,000*l.* for the reception of Indian Chiefs attending His Majesty's Coronation; in the Account, however, expenditure has been shown under the head of "Advances Repayable," as the amount has been recovered from His Majesty's Government. On the other hand, the Account includes a payment of 1,489*l.* for Law Expenses of the action in connection with the traffic in arms in the Persian Gulf.
39	The demands were larger than was indicated in the estimates received from India.
40	There was a decrease of 1,416*l.* in the Purchase of Stallions.

No. 7.—COMPARISON of the Estimated and Actual Receipts and Disbursements

DISBURSEMENTS—*continued.* **Expenditure**—*continued.*	1902-03. Budget Estimate, March 1902.	1902-03. Account.	Increase.	Decrease.	
	£	£	£	£	
Brought forward	4,065,500	3,978,844			
CIVIL FURLOUGH AND ABSENTEE ALLOWANCES	257,500	244,026	—	13,474	1
SUPERANNUATION ALLOWANCES AND PENSIONS:					
General	515,000	520,189	5,189	—	2
Indian Civil, Military, and Medical Funds, &c.	1,488,000	1,479,762	—	8,238	3
Indian Civil Service Family Pensions	5,000	6,803	1,803	—	4
STATIONERY AND PRINTING:					
Stationery, Printing, and Bookbinding, for the India Office, &c.	6,500	7,409	909	—	5
Stores for India	79,000	94,939	15,939	—	6
MISCELLANEOUS:					
Examination Expenses and Allowances of Candidates for the Indian Civil Service, &c.	9,500	15,100	5,600	—	7
Miscellaneous Charges connected with the supply of Stores to India	10,000	10,358	358	—	8
FAMINE RELIEF AND INSURANCE:					
CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS:					
Stores for India	500	1,044	544	—	9
Other Payments	500	1,881	1,381	—	10
RAILWAY REVENUE ACCOUNT:					
STATE RAILWAYS—INTEREST ON DEBT:					
East Indian Railway	292,800	292,795	—	5	11
Eastern Bengal Railway	32,900	32,878	—	22	12
Scinde Punjab and Delhi Railway	152,900	152,902	2	—	13
Oude and Rohilkund Railway	322,600	322,567	—	33	14
South Indian Railway	146,600	146,635	35	—	15
Great Indian Peninsula Railway	196,500	195,727	—	773	16
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):					
East Indian Railway	1,189,700	1,189,184	—	516	17
Eastern Bengal Railway	122,700	122,716	16	—	18
Scinde Punjab and Delhi Railway	418,700	418,736	36	—	19
Great Indian Peninsula Railway	1,268,600	1,268,582	—	18	20
STATE RAILWAYS—INTEREST CHARGEABLE AGAINST COMPANIES ON ADVANCES:					
* Bengal Central Railway	16,300	16,250	—	50	21
Bengal-Nagpur Railway	89,700	89,700	—	—	22
Indian Midland Railway	43,700	43,712	12	—	23
Southern Mahratta Railway	69,200	69,222	22	—	24
STATE RAILWAYS—INTEREST ON CAPITAL DEPOSITED BY COMPANIES:					
Assam-Bengal Railway	88,400	87,658	—	742	25
* Bengal Central Railway	17,500	17,500	—	—	26
Bengal Nagpur Railway	251,600	257,052	5,452	—	27
Burma Railways	78,100	78,125	25	—	28
East Indian Railway	171,800	149,383	—	22 417	29
Great Indian Peninsula Railway	80,800	77,250	—	3,550	30
Indian Midland Railway	212,500	212,530	30	—	31
Southern Mahratta Railway	204,300	205,943	1,643	—	32
South Indian Railway	69,400	64,784	—	4,616	33
GUARANTEED COMPANIES—INTEREST	1,029,300	1,026,892	—	2,408	34
IRRIGATION:					
MINOR WORKS AND NAVIGATION: Stores for India	1,700	1,917	217	—	35
OTHER PUBLIC WORKS:					
MILITARY WORKS: Stores for India	18,100	62,607	44,507	—	36
CIVIL WORKS AND MISCELLANEOUS SERVICES:					
Furlough Pay and Allowances of Officers in the Public Works Department	57,000	58,744	1,744	—	37
Royal Indian Engineering College	36,700	38,481	1,781	—	38
Sundry items	1,600	3,515	1,915	—	39
Stores for India	3,100	6,822	3,722	—	40
ARMY:					
Effective.					
Payments to War Office in respect of British Forces serving in India	762,500	851,993	89,493	—	41
Furlough Allowances and Pay during Voyage of British Forces serving in India	108,000	112,750	4,750	—	42
Furlough Allowances of Officers of the Indian Service	230,000	250,605	20,605	—	43
Indian Troop Service	250,000	345,499	95,499	—	44
Passage of Officers and others not charged to Indian Troop Service	19,000	21,831	2,831	—	45
Miscellaneous	42,000	53,231	11,231	—	46
Stores for India	1,460,200	1,290,949	—	169,251	47
Non-Effective.					
Payments to War Office for Retired Pay, &c., of British Forces for service in India	610,000	615,037	5,037	—	48
Pay of Non-effective Colonels of Royal Artillery	22,000	20,769	—	1,231	49
Pay and Pensions of Non-effective and Retired Officers of the Indian Service	1,640,000	1,602,887	—	37,113	50
Miscellaneous Pensions, &c.	84,000	83,305	—	695	51
Indian Military Service Family Pensions	45,000	41,801	—	3,199	52
TOTAL EXPENDITURE CHARGEABLE AGAINST REVENUE, carried forward £	18,394,500	18,361,821			

* Although for convenience classed among the State Railways, this Line is the property of the Bengal Central Railway Company.

of the Home Treasury of the Government of *India*, for the Year 1902-03—*continued.*

	EXPLANATIONS OF INCREASE OR DECREASE.
1	There was a decrease of 6,122*l.* in the Absentee Allowances of Officers of the Indian Civil Service, and of 6,042*l.* in those of Officers of the Uncovenanted Service.
2	The increase is more than accounted for in the Pensions of Officers of the Uncovenanted Service.
3	The decrease occurred mainly under Military Funds.
4	Sufficient provision was not made for the growth of these payments.
5	The increase is due to expenditure on re-binding Records
6	The demands were larger than was indicated in the estimates received from India.
7	Owing to increased expenditure on Insignia of Indian Orders.
9	Due to demands of which no forecast was received from India.
10	The expenses of the Indian Irrigation Commission extended over a longer period than was estimated.
16	The India 3 per cent. Stock created for the discharge of Debentures falling due in 1902–03 was issued on more favourable terms than had been estimated.
17	The decrease is owing to the fact that sums due to Annuitants, which had been unclaimed for ten years, having been transferred by the Company to the Secretary of State in accordance with statutory provisions, have been deducted from the payments.
25	Debentures falling due were renewed at a lower rate of interest than was estimated.
27	Due to Capital having been raised earlier than was estimated.
29	The amount of Capital raised was smaller, and the date of issue was later, than had been estimated.
30	The Company did not raise the further Capital which was included in the Budget Estimate.
32	Owing to Capital having been raised earlier than was expected.
33	The Company did not raise within the year the further capital which was included in the Budget Estimate.
34	The Madras Railway Company did not raise within the year the further Capital which was included in the Budget Estimate.
36	The demands were larger than was indicated in the estimates received from India.
37	The increase occurred mainly in the Absentee Allowances of Civil Officers.
38	The increase is more than accounted for in the incidental payments at the College.
39	The Account includes the passages of 20 Temporary Engineers, and the remainder of the increase was mainly due to the pay of Officers on special duty.
40	The demands were larger than was indicated in the estimates received from India.
41	In the Budget it was anticipated that a refund of 120,000*l.*, on account of over-payments in 1901–02, would be received from the War Office in 1902–03. This refund, however, was received in 1901–02. But the War Office estimate for the capitation charge for 1902–03 was less than had been expected by 30,500*l.*
42	The increase occurred under Furlough Pay.
43	Owing to a larger number of Officers being on furlough than was estimated.
44	In the absence of the usual estimate in detail, the sum of 250,000*l.* was inserted in the Budget Estimate as the *net* charge under this head. The expenditure, however, amounted to 345,499*l.*, and the receipts to 38,473*l.*
45	More Officers were provided with passages otherwise than in Transports than had been estimated.
46	The Account includes 19,624*l.* for the purchase of mules, and there were increases of 2,685*l.* for pay, &c. of Officers of the Indian Medical Service, of 2,821*l.* for Officers on special duty, and of 2,454*l.* for pay, &c., of Second Lieutenants on appointment. On the other hand, the Budget included 20,000*l.* for the expenses of the visit of the Native Contingent on the occasion of His Majesty's Coronation, the charges for which are shown in the Account under the head "Advances
47	There was a decrease of 137,795*l.* in Ordnance Stores, and of 42,051*l.* in Clothing Stores. [Repayable."
48	After consultation with the War Office, the estimate of the charge for 1902-03 was raised by 13,400*l.*; but a refund of
49	[8,363*l.* was received in respect of 1901–02.
50	The payments on these accounts decreased more than was expected.
51	
52	The payments on this account did not increase as much as was estimated.

No. 7.—Comparison of the Estimated and Actual Receipts and Disbursements

DISBURSEMENTS—*continued.*	1902-03. Budget Estimate, March 1902.	1902-03. Account.	Increase.	Decrease.	
	£	£	£	£	
Total Expenditure chargeable against Revenue, brought forward	18,394,500	18,361,821			
EXPENDITURE NOT CHARGED TO REVENUE:					
CAPITAL OUTLAY ON RAILWAYS AND IRRIGATION WORKS:					
State Railways:					
Stores for India, &c.	1,737,000	1,290,892	—	446,108	1
Nilgiri Railway—Purchase of the Company's Undertaking	—	236,175	236,175	—	2
Azikhal-Mangalore Railway—Advances to the Madras Railway Company	—	2,277	2,277	—	3
Irrigation Works:					
Stores for India	5,300	6,679	1,379	—	4
	1,742,300	1,536,023			
PAYMENTS TO RAILWAY COMPANIES ON CAPITAL ACCOUNT:					
For Discharge of Debentures, &c.	2,394,100	22,520	—	2,371,580	5
On account of Stores, Establishment Charges, &c.	1,609,400	1,358,899	—	250,501	6
	4,003,500	1,381,419			
DEBT:					
PERMANENT DEBT DISCHARGED:					
Great Indian Peninsula Railway Debentures	1,368,800	1,368,800	—	—	7
TEMPORARY DEBT DISCHARGED:					
Temporary Loans on security of India Bills	4,000,000	4,000,000	—	—	8
	5,368,800	5,368,800			
DEPOSITS AND ADVANCES:					
ADVANCES REPAYABLE:					
Recoverable from the Imperial Government:					
Expenditure incurred in England in connection with the China Expeditionary Force	—	25,369	25,369	—	9
Expenditure in England in connection with the despatch of Troops to South Africa	—	14,977	14,977	—	10
Expenditure incurred in England in connection with the Somaliland Expedition	—	759	759	—	11
Expenditure brought to account in England in connection with the visit, on the occasion of His Majesty's Coronation, of Indian Princes, Delegates, and Troops	—	53,106	53,106	—	12
MISCELLANEOUS DEPOSITS:					
Gold Reserve Fund: Sums invested in 2½ per Cent. Consolidated Stock	87,400	356,085	268,685	—	13
Portion of outstanding Interest of the Great Indian Peninsula Railway Company, repaid by the Company on the purchase of its Undertaking by the State, claimed during the year by the persons entitled thereto	—	84	84	—	14
	87,400	459,380			
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:					
Payments to His Majesty's Treasury and other Public Departments on account of Postal and Money Order transactions, &c.	133,000	74,762	—	58,238	15
Family Remittances, Remittances by Administrators General, &c.	91,000	82,983	—	8,017	16
East Indian Railway Company:					
For discharge of Debentures	150,000	150,000	—	—	17
Advances for purchase of Stores, &c.	1,000,000	622,782	—	377,218	18
Rajputana-Malwa Railway: Advances for purchase of Stores, &c.	190,000	181,654	—	8,346	19
South Indian Railway Company: Ditto, ditto	245,000	125,561	—	119,439	20
Bengal and North-Western Railway Company: Ditto, ditto	75,000	114,145	39,145	—	21
Great Indian Peninsula Railway Company: Ditto, ditto	250,000	356,524	106,524	—	22
Stores chargeable to Provincial and Local Funds, and to Native States	91,800	161,949	70,149	—	23
Miscellaneous Payments to be brought to charge or recovered in India	66,000	122,692	56,692	—	24
Purchase of Silver	—	285,000	285,000	—	25
	2,291,800	2,278,052			
Total Disbursements £	31,888,300	29,376,495			

India Office, 12 May 1904.

of the Home Treasury of the Government of *India*, for the Year 1902–03—*continued*.

	EXPLANATIONS OF INCREASE OR DECREASE.
1	Partly due to deferred payments, and the indents also proved less costly than was indicated in the estimates received from India.
2	This Railway was purchased as from 31st December 1902.
3	When the Budget Estimate was framed, the construction of this railway by the Madras Railway Company had not been arranged.
4	The demands were larger than was indicated in the estimates received from India.
5	The amount of Debentures renewed was 2,379,200*l.* (*see* note against Receipts on account of Subscribed Capital); but the renewal involved the payment of discount to the holders, and 7,620*l.* on that account was included under this head in 1902–03.
6	The Estimates were furnished by the Railway Companies.
9	This sum will be recovered in 1903–04.
10	Exceptional payment. (*See* Receipts.)
11	This sum will be recovered in 1903–04.
12	Exceptional payments. *See* Receipts.
13	*See* corresponding receipts.
15	There was a decrease of 63,645*l.* in the payments on account of Indian Money Orders. On the other hand, the Account includes 5,506*l.* as the *net* adjustment of Field Examiner's Accounts in respect of the China Expeditionary Force.
16	There was a decrease of 29,457*l.* in Remittances by Administrators-General. On the other hand, there was an increase of 19,289*l.* in Remittances for payment by the War Office.
17–22	The Estimates were furnished by the several Railway Companies concerned.
23	The Account includes 28,746*l.* for Stores, &c. in connection with the Delhi Durbar, and other demands were larger than was indicated in the Estimates received from India.
24	There was an increase of 24,000*l.* in Bills drawn by the Mission to the Court of Persia. The Account also includes 14,500*l.* for advances of pay, and 8,791*l.* for Bills drawn by the Captain of R.I.M.S. "Hardinge," in connection with the visit of the Native Contingent on the occasion of His Majesty's Coronation, 8,190*l.* for the purchase of a vessel for the Sultan of Muskat, and 7,606*l.* for purchase of mules in America. On the other hand, there was a reduction of 6,062*l.* in Miscellaneous Pay and Pensions.
25	For coinage.

Lionel Abrahams, Financial Secretary.

No. 8.

* ESTIMATED ACCOUNT of the RECEIPTS and DISBURSEMENTS of the HOME

RECEIPTS.

			£
REVENUE:			
INTEREST:			
Interest realised from investment of Cash Balance, &c.			141,788
TELEGRAPH:			
Indo-European Telegraph:		£	
Message Revenue		5,891	
Miscellaneous Receipts		652	
			6,543
MINT:			
Proceeds of Sale of Indian Coins, &c., sent to this Country for Assay			49
MARINE:			
Sum received from the Admiralty for Torpedo Boat Defence Vessels			21,000
MEDICAL:			
Pensions, &c. of Lunatics appropriated to their maintenance			1,351
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:			
Sale proceeds of Books, Maps, &c.			725
RECEIPTS IN AID OF SUPERANNUATION ALLOWANCES AND PENSIONS:		£	
Subscriptions, &c., to the Widows' Funds of the Home Establishment of the East India Company, and in respect of the India Office Provident Fund		13,576	
Subscriptions in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund		56,940	
Subscriptions towards Indian Civil Service Family Pensions		7,378	
Contributions towards Leave Allowances and Pensions of Civil Officers lent from India for Imperial Service		361	
			78,255
MISCELLANEOUS:			
Miscellaneous Receipts connected with the supply of Stores to India, and sundry items			13,025
RAILWAYS:			
STATE RAILWAYS:		£	
East Indian Railway: Rent of premises occupied by the Company		230	
SUBSIDIZED COMPANIES:	£		
Rohilkund and Kumaon Railway: Government share of Surplus Profits	1,224		
Southern Punjab Railway: Ditto ditto	5,998		
		7,222	
			7,452
OTHER PUBLIC WORKS:			
CIVIL WORKS AND MISCELLANEOUS SERVICES:			
Royal Indian Engineering College: Fees from Students, &c.			26,171
ARMY:			
Effective.		£	
Contribution by the Imperial Government in respect of	£		
Cost of the Transport of Troops	130,000		
Military Charges for Aden	100,000		
		230,000	
Value of Clothing, Accoutrements, &c., in possession of Regiments on their transfer from the Indian to the British Establishment; Proceeds of Sales of unserviceable Stores; Receipts on account of the Indian Troop Service; Recoveries on account of Messing, &c.		172,633	
Non-effective.	£	402,633	
Subscriptions towards Indian Military Service Family Pensions	25,222		
Contributions towards Pensions of Indian Native Soldiers lent for Imperial Service	22,532		
		47,754	
			450,387
Carried forward		£	746,746

* This is an Account subject to audit and to the final adjustment of the accounts of sub-accountants.

No. 8.

TREASURY of the GOVERNMENT of *India*, from 1st April 1903 to 31st March 1904.

DISBURSEMENTS.

EXPENDITURE:

LAND REVENUE:			
Law Charges in connection with Appeals from India	£ 92		
Stores for India	316		
			408
OPIUM:			
Stores for India			3,600
SALT:			
Stores for India			2,134
STAMPS:			
Stores for India			42,221
EXCISE:			
Stores for India			33
CUSTOMS:			
Stores for India			128
FOREST:			
Expenses in connection with Candidates for the Indian Forest Department, Passage to India on appointment, &c.	£ 1,225		
Stores for India	1,260		
			2,485
INTEREST ON DEBT (EXCLUDING THAT CHARGED TO RAILWAYS):			
Interest on Loans contracted in England	* 2,942,660		
Discount Sinking Fund, in redemption of Debt incurred in excess of money raised	20,790		
Discount on the issue of 1,500,000*l.* India 3 per cent. Stock	20,095		
			2,983,545
INTEREST ON OTHER OBLIGATIONS:			
Interest on Deposits in Regimental Savings Banks of men returned from India			3
POST OFFICE:	£		
Payments under the Postal arrangement with the Lords of His Majesty's Treasury	52,000		
Miscellaneous Payments	595		
	52,595		
Stores for India	52,099		
			104,694
TELEGRAPH:			
Indo-European Telegraph:	£		
Payments in respect of Revenue	33,827		
Other Payments	17,726	£	
		51,553	
Red Sea and India Telegraph		18,027	
Indian Telegraph Department—Absentee Allowances and Contingent Expenses		5,266	
		74,846	
Telegraph Lines in India—Stores for India		168,724	
			243,570
MINT:			
Stores for India		8,004	
Other Payments		92	
			8,096
GENERAL ADMINISTRATION:			
Home Establishment, &c.		237,742	
Payments on account of Administration in India		2,378	
		240,120	
Stores for India		39,482	
			279,602
LAW AND JUSTICE:			
Stores for India		66	
Other Payments		778	
			844
POLICE:			
Passage to India of Assistant Superintendents on appointment, &c.			967
Carried forward		£	3,672,330

* Total interest on Loans contracted in England is charged as follows:—

			£
Under Interest on Ordinary Debt (as above)			2,942,660
Under Railway Revenue Account (page 47):	£	£	
State Railways—Interest on Debt	1,140,397		
Deduct—Oude and Rohilkund Railway Discount Sinking Fund	2,739		
		1,137,658	
State Railways—Interest chargeable against Companies on Advances		218,884	
			1,356,542
		£	4,299,202

No. 8.—ESTIMATED ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£
Brought forward - - - -	746,746

RECEIPTS—*continued.*

Carried forward - - - £	746,746

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued.*

		£
	Brought forward	3,672,330
DISBURSEMENTS—*continued.*		
EXPENDITURE—*continued.*		
MARINE:	£	
Contribution towards the expenses of His Majesty's Ships employed in the Indian Seas, &c.	100,023	
Sundry items	1,758	
	101,781	
Stores for India	179,401	
		281,182
EDUCATION:		
Allowances to Indian Government Scholars, Passage to India of Educational Officers on appointment, &c.		3,708
ECCLESIASTICAL:		
Passage and Outfit Allowance of the Bishop of Bombay, and passage to India of Chaplains on appointment		936
MEDICAL:	£	
Maintenance of Lunatics	3,684	
Pay, passage, &c. of Medical Officers and Lady Nurses in connection with the Plague, &c.	2,203	
		5,887
POLITICAL:		
Contribution towards the Mission to the Court of Persia, and Minor Consulates	4,106	
Sundry items	832	
	4,938	
Stores for India	154	
		5,092
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:		
Stores for India	23,367	
Other Payments	11,159	
		34,526
TERRITORIAL AND POLITICAL PENSIONS:		
Members of the Family of the late Maharajah Duleep Singh	9,692	
Members of the Bengal Nizamut Family	1,151	
		10,843
CIVIL FURLOUGH AND ABSENTEE ALLOWANCES		238,303
SUPERANNUATION ALLOWANCES AND PENSIONS:		
General	538,276	
Annuities, Pensions, and Allowances payable in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund	1,466,264	
Indian Civil Service Family Pensions	7,191	
		2,011,731
STATIONERY AND PRINTING:		
Stationery, Printing, and Bookbinding, for the India Office, &c.	9,757	
Stores for India	80,109	
		89,866
MISCELLANEOUS:		
Examination Expenses and Allowances of Candidates for the Indian Civil Service, &c.	8,535	
Miscellaneous Charges connected with the supply of Stores to India	7,204	
		15,739
FAMINE RELIEF AND INSURANCE:		
CONSTRUCTION OF PROTECTIVE RAILWAYS:		
Payments to the Madras Railway Company for construction of Famine Railways	21,750	
CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS:	£	
Stores for India	25	
Miscellaneous Payments	393	
	418	
		22,168
RAILWAY REVENUE ACCOUNT:		
STATE RAILWAYS—INTEREST ON DEBT:		
East Indian Railway	290,185	
Eastern Bengal Railway	32,687	
Scinde Punjab and Delhi Railway	151,342	
Oude and Rohilkund Railway	322,567	
South Indian Railway	146,635	
Great Indian Peninsula Railway	196,981	
	1,140,397	
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):		
East Indian Railway	1,192,211	
Eastern Bengal Railway	122,908	
Scinde Punjab and Delhi Railway	420,919	
Great Indian Peninsula Railway	1,268,582	
	3,004,620	
STATE RAILWAYS—INTEREST CHARGEABLE AGAINST COMPANIES ON ADVANCES:		
*Bengal Central Railway	16,250	
Bengal-Nagpur Railway	89,700	
Indian Midland Railway	43,712	
Southern Mahratta Railway	69,222	
	218,884	
STATE RAILWAYS—INTEREST ON CAPITAL DEPOSITED BY COMPANIES:		
Assam-Bengal Railway	88,217	
*Bengal Central Railway	17,500	
Bengal Nagpur Railway	262,214	
Burma Railways	87,500	
East Indian Railway	170,004	
Great Indian Peninsula Railway	77,250	
Indian Midland Railway	218,176	
Southern Mahratta Railway	207,568	
South Indian Railway	65,000	
	1,193,429	
GUARANTEED COMPANIES—INTEREST	1,032,772	
		6,590,102
Carried forward	£	12,982,413

* Although for convenience classed among the State Railways, this line is the property of the Bengal Central Railway Company.

No. 8.—ESTIMATED ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£
Brought forward - - -	746,746

RECEIPTS—*continued.*

TOTAL RECEIPTS ON ACCOUNT OF REVENUE - - -	£	746,746
Carried forward - - -	£	746,746

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued.*

			£
		Brought forward	12,982,413
DISBURSEMENTS—*continued.*			
EXPENDITURE—*continued.*			
IRRIGATION:			
MINOR WORKS AND NAVIGATION:			
Stores for India			2,254
OTHER PUBLIC WORKS:			
MILITARY WORKS:		£	
Stores for India		52,974	
CIVIL WORKS AND MISCELLANEOUS SERVICES:	£		
Furlough Pay and Allowances of Officers in the Public Works Department	51,185		
Royal Indian Engineering College	31,269		
Sundry items	2,987		
	85,441		
Stores for India	6,587		
		92,028	
			145,002
ARMY:			
Effective.			
Payments to War Office in respect of British Forces serving in India	627,109		
Furlough Allowances and Pay during Voyage of British Forces serving in India	142,068		
Furlough Allowances of Officers of the Indian Service	261,391		
Indian Troop Service	360,039		
Passage of Officers and others not charged to Indian Troop Service	10,467		
Miscellaneous	44,520		
	1,445,594		
Stores for India	1,174,557		
		2,620,151	
Non-effective.			
Payments to War Office for Retired Pay, &c. of British Forces for service in India	659,895		
Pay of Non-effective Colonels of Royal Artillery	20,270		
Pay and Pensions of Non-effective and Retired Officers of the Indian Service	1,580,925		
Miscellaneous Pensions, &c.	85,251		
Indian Military Service Family Pensions	46,287		
		2,392,628	
			5,012,779
SPECIAL DEFENCE WORKS:			
SPECIAL DEFENCES (1902):			
Stores for India			4,929
TOTAL EXPENDITURE CHARGEABLE AGAINST REVENUE		£	18,147,377

EXPENDITURE NOT CHARGED TO REVENUE:

CAPITAL OUTLAY ON RAILWAYS AND IRRIGATION WORKS:	£	£	
STATE RAILWAYS:			
Stores for India	1,236,501		
Salary and Expenses of Consulting Engineer and Staff, &c.	11,374		
		1,247,875	
Payments to the Madras Railway Company for construction of the Azikhal-Mangalore Railway		53,899	
IRRIGATION WORKS:		1,301,774	
Stores for India		3,809	
			1,305,583
		Carried forward £	19,452,960

No. 8.—ESTIMATED ACCOUNT of the Receipts and Disbursements of the Home Treasury

			£
RECEIPTS—*continued.*		Brought forward - - -	746,746
CAPITAL RECEIPTS FROM RAILWAY COMPANIES:*			
ON ACCOUNT OF TRANSFER FEES AND MISCELLANEOUS REFUNDS - - - - - - - -			6,959
DEBT:			
PERMANENT DEBT INCURRED:			
India 3 per Cent. Stock—Loan issued:	£	£	
Created under Act 1 Edw. VII. ch. 25. for discharge of 600,000*l.* Great Indian Peninsula Railway Debentures - - - - - - -	608,147		
Created for discharge of India Bills - - - - - - - -	891,853		
		1,500,000	
TEMPORARY DEBT INCURRED:			
Temporary Loans on Security of India Bills - - - - - - - - - -		2,000,000	
			3,500,000
DEPOSITS AND ADVANCES:			
REPAYMENT OF ADVANCES - - - - - - - - - - - - - -		49,533	
MISCELLANEOUS DEPOSITS:			
Gold Reserve Fund:	£		
Net sale proceeds of Gold received from India - - - - - -	259,575		
Sum remitted by means of Bills and Telegraphic Transfers on India -	2,200,000		
Dividends on investments - - - - - - - - - -	106,614		
		2,566,189	
			2,615,722
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:			
	£		
Repayments by His Majesty's Treasury and other Public Departments in respect of Expenditure incurred in India in connection with the China Expeditionary Force - - - - - - - - - - - - - - -	208,666		
Disbursements in India in connection with the War in South Africa -	719,767		
Expenditure incurred in India in connection with the Somaliland Expedition	1,243,345		
Advances in India on account of Emigration of Coolies, Chelsea Out-pensioners paid in India, Supplies to His Majesty's Ships on the East India Station, Postal and Money Order transactions, &c. - - - - - -	473,554	2,645,332	
Estates remitted from India by Administrators-General by means of Bills on London - -		32,885	
East Indian Railway Company: Transfer fees and miscellaneous refunds - - - -		1,909	
Rajputana-Malwa Railway: Miscellaneous refunds - - - - - - - -		441	
South Indian Railway Company: Transfer fees and miscellaneous refunds - - - - -		1,017	
Bengal and North-Western Railway Company: Ditto ditto - - - -		961	
Great Indian Peninsula Railway Company: Ditto ditto - - - -		12,974	
Miscellaneous receipts - - - - - - - - - - - - - -		22,633	
Gold received from India; net sale proceeds (*see also* Gold Reserve Fund, under "Miscellaneous Deposits") - - - - - - - - - - - - - - -		3,997,128	
Bills of Exchange and Telegraphic Transfers on India (ditto ditto)		21,659,303	
			28,374,583
TOTAL RECEIPTS - - £			35,244,010
BALANCE, 1st April 1903 - - -			5,767,787
		£	41,011,797

India Office,
12 May 1904.

* See note on opposite page.

For Statement showing New or Increased Salaries or Pensions

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

DISBURSEMENTS—*continued*.		£
Brought forward		19,452,960
PAYMENTS TO RAILWAY COMPANIES ON CAPITAL ACCOUNT:*		
FOR DISCHARGE OF DEBENTURES, &C.	£ 80,000	
ON ACCOUNT OF STORES, ESTABLISHMENT CHARGES, &C.	1,276,216	
		1,356,216
DEBT:		
PERMANENT DEBT DISCHARGED:		
Great Indian Peninsula Railway Debentures	600,000	
TEMPORARY DEBT DISCHARGED:		
Temporary Loans on security of India Bills	3,500,000	
		4,100,000
DEPOSITS AND ADVANCES:		
ADVANCES REPAYABLE	214,373	
MISCELLANEOUS DEPOSITS:		
Gold Reserve Fund: Sums invested in Consols and other British Funds (£ 2,566,189)		
Portion of outstanding Interest of the Great Indian Peninsula Railway Company, repaid by the Company on the purchase of its Undertaking by the State, claimed during the year by the persons entitled thereto (£ 301)		
	2,566,490	
		2,780,863
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:		
Payments to His Majesty's Treasury and other Public Departments on account of Little Basses Light Vessel Dues, &c.	20,377	
Family Remittances, Remittances by Administrators-General, &c.	80,290	
East Indian Railway Company: Advances for purchase of Stores, &c.	595,803	
Rajputana-Malwa Railway: Ditto ditto	154,658	
South Indian Railway Company: Ditto, ditto	123,328	
Bengal and North-Western Railway Company: Ditto, ditto	148,082	
Great Indian Peninsula Railway Company: Ditto, ditto	554,521	
Stores chargeable to Provincial and Local Funds, and to Native States	222,140	
Miscellaneous payments to be brought to charge or recovered in India	73,370	
Purchase of Silver	4,055,327	
		6,027,896
TOTAL DISBURSEMENTS £		33,717,935
BALANCE, 31st March 1904		7,293,862
£		41,011,797

Arthur Guillum Scott, Accountant-General.

Receipts from, and advances to, the East Indian, the South Indian, the Great Indian Peninsula, and the Bengal and North-Western Railway Companies, and advances to the Bombay Baroda and Central India Railway Company on account of the Rajputana-Malwa Railway, are treated as remittances.

granted or created within the year 1903-04, *see* page 56.

No. 9. - - - - - - - -

ACCOUNT showing the Total Amount of INDIAN DEBT raised in *England*, the Annual the Debt and Interest created in the Year ended the 31st March 1904; Debt, the Annual Interest thereon, and the Indian Railway Annuities, on the 31st

	Capital of Debt.	Rate per Cent.	Annual Interest on Debt; and Indian Railway Annuities.
TOTAL DEBT AND ANNUITIES ON THE 31ST MARCH 1903.			
Debt bearing Interest:	£ s. d.		£ s. d.
India 3½ per Cent. Stock	62,968,105 14 5	3½	2,203,883 14 –
India 3 per Cent. Stock	48,635,384 1 4	3	1,459,061 10 5
India 2½ per Cent. Stock	11,892,206 12 3	2½	297,305 3 4
India Bills	3,500,000 – –	Various	*113,434 17 1
East Indian Railway Debenture Stock	1,435,650 – –	4½	64,604 5 –
Eastern Bengal Railway Debenture Stock	348,666 – –	4	13,946 12 9
South Indian Railway Debenture Stock	425,000 – –	4½	19,125 – –
Great Indian Peninsula Railway Debenture Stock	2,701,450 – –	4	108,058 – –
Great Indian Peninsula Railway Debentures	250,000 – –	3	7,500 – –
Ditto ditto	1,602,100 – –	2½	40,052 10 –
	133,758,562 8 –		
Debt not bearing Interest:			
India 5 per Cent. Stock	9,442 11 9		
India 4 per Cent. Stock	7,338 11 10		
East India Bonds	20,917 – –		
TOTAL Debt, and Annual Interest thereon, on 31st March 1903	133,796,260 11 7	– –	4,326,971 12 7
Indian Railway Annuities.			
East Indian Railway:			
Annuity terminating in 1953	– – –	– –	850,537 18 10
Interest in lieu of Deferred Annuity	– – –	– –	262,000 – –
Eastern Bengal Railway: Annuity terminating in 1957	– – –	– –	116,850 14 9
Scinde Punjab and Delhi Railway: Annuity terminating in 1958	– – –	– –	371,361 3 7
Great Indian Peninsula Railway: Annuity terminating in 1948	– – –	– –	1,268,516 – 7
TOTAL Indian Railway Annuities on 31st March 1903	– – –	– –	2,869,265 17 9
TOTAL Debt, Annual Interest thereon, and Indian Railway Annuities, on 31st March 1903	133,796,260 11 7	–	7,196,237 10 4
DEBT CREATED IN THE YEAR 1903-04.			
Debt bearing Interest:			
India 3 per cent. Stock	1,500,000 – –	3	45,000 – –
India Bills	2,000,000 – –	Various	* 69,260 16 7
DEBT, and Annual Interest thereon, created in the Year ended 31st March 1904	3,500,000 – –	– –	114,260 16 7
£	137,296,260 11 7	– –	7,310,498 6 11

* This is the *actual* amount of Discount on the issue of the Bills.

- - - - - - - - No. 9.

Interest thereon, and the INDIAN RAILWAY ANNUITIES, on the 31st March 1903; the Debt and Interest reduced in that Year; and the Total Amount of March 1904; together with the Cost of Management paid in the Year.

	Capital of Debt.	Rate per Cent.	Annual Interest on Debt; and Indian Railway Annuities.
DEBT REDUCED IN THE YEAR 1903-04.			
Debt bearing Interest:			
India 3½ per Cent. Stock, purchased with the Sinking Funds, pursuant to Act 42 & 43 Vict. c. 206, s. 51, and Act 44 & 45 Vict. c. 53, s. 2	£ s. d. 128,032 3 3	3½	£ s. d. 4,481 2 6
India 3½ per Cent. Stock, purchased with the Discount Sinking Funds	22,384 14 3	3½	783 9 4
India Bills, paid off	3,500,000 – –	Various	*113,434 17 1
Great Indian Peninsula Railway Debentures, paid off	600,000 – –	2½	15,000 – –
DEBT, and Annual Interest thereon, reduced in the Year ended 31st March 1904	4,250,416 17 6		133,699 8 11
TOTAL DEBT AND ANNUITIES ON THE 31ST MARCH 1904.†			
Debt bearing Interest:			
India 3½ per Cent. Stock	62,817,688 16 11	3½	2,198,619 2 2
India 3 per Cent. Stock	50,135,384 1 4	3	1,504,061 10 5
India 2½ per Cent. Stock	11,892,206 12 3	2½	297,305 3 4
India Bills	2,000,000 – –	Various	*69,260 16 7
East Indian Railway Debenture Stock	1,435,650 – –	4½	64,604 5 –
Eastern Bengal Railway Debenture Stock	348,666 – –	4	13,946 12 9
South Indian Railway Debenture Stock	425,000 – –	4½	19,125 – –
Great Indian Peninsula Railway Debenture Stock	2,701,450 – –	4	108,058 – –
Great Indian Peninsula Railway Debentures	250,000 – –	3	7,500 – –
Ditto ditto	1,002,100 – –	2½	25,052 10 –
	133,008,145 10 6		
Debt not bearing Interest:			
India 5 per Cent. Stock	9,442 11 9		
India 4 per Cent. Stock	7,338 11 10		
East India Bonds	20,917 – –		
TOTAL Debt, and Annual Interest thereon, on 31st March 1904	133,045,843 14 1		4,307,533 – 3
Indian Railway Annuities.			
East Indian Railway:			
Annuity terminating in 1953	– – –	– –	850,537 18 10
Interest in lieu of Deferred Annuity	– – –	– –	262,000 – –
Eastern Bengal Railway: Annuity terminating in 1957	– – –	– –	116,850 14 9
Scinde Punjab and Delhi Railway: Annuity terminating in 1958	– – –	– –	371,361 3 7
Great Indian Peninsula Railway: Annuity terminating in 1948	– – –	– –	1,268,516 – 7
TOTAL Indian Railway Annuities on 31st March 1904	– – –	– –	2,869,265 17 9
TOTAL Debt, Annual Interest thereon, and Indian Railway Annuities, on 31st March 1904	133,045,843 14 1	– –	7,176,798 18 –
£	137,296,260 11 7	– –	7,310,498 6 11

* This is the *actual* amount of Discount on the issue of the Bills.
† For Analysis, *see* following page.

No. 9.—Account showing the Total Amount of Indian Debt, raised in *England*,

ANALYSIS of the Amount of Indian Debt raised in *England*, the Annual Interest thereon, and the Indian Railway Annuities, outstanding on the 31st March 1904.

	Capital of Debt.		Rate per Cent.	Annual Interest on Debt; and Indian Railway Annuities.
Debt, exclusive of that incurred under Act 51 Vict. c. 5, s. 4, for Advances to Railway Companies, and in respect of the undermentioned Railways.	£ s. d.	£ s. d.		£ s. d.
Bearing Interest:				
India 3½ per Cent. Stock	51,816,147 – 11	– – –	3½	1,813,565 2 11
India 3 per Cent. Stock	26,117,396 6 6	– – –	3	783,521 17 9
India 2½ per Cent. Stock	11,151,558 10 11	– – –	2½	278,788 19 3
India Bills	2,000,000 – –	– – –	Various	*69,260 16 7
	91,085,101 18 4			
Not bearing Interest:				
India 5 per Cent. Stock	9,442 11 9			
India 4 per Cent. Stock	7,338 11 10			
East India Bonds	20,917 – –			
		91,122,800 1 11	–	2,945,136 16 6
Debt incurred under Act 51 Vict. c. 5, s. 4, for Advances to Railway Companies.				
Bearing Interest:				
India 3 per Cent. Stock	– – –	7,504,169 11 10	3	225,125 1 9
Debt incurred and Annuity created in respect of the East Indian Railway.				
Debt bearing Interest:				
India 3½ per Cent. Stock	6,195,596 5 10	– – –	3½	216,845 17 5
India 3 per Cent. Stock	240,771 3 8	– – –	3	7,223 2 9
East Indian Railway Debenture Stock	1,435,650 – –	– – –	4½	64,604 5 –
		7,872,017 9 6	–	288,673 5 2
Annuity:				
Annuity terminating in 1953	– – –	– – –	–	850,537 18 10
Interest in lieu of Deferred Annuity	– – –	– – –	–	262,000 – –
				1,112,537 18 10
Debt incurred and Annuity created in respect of the Eastern Bengal Railway.				1,401,211 4 –
Debt bearing Interest:				
India 3½ per Cent. Stock	532,044 – 11	– – –	3½	18,621 10 10
India 3 per Cent. Stock	228 9 1	– – –	3	6 17 1
Eastern Bengal Railway Debenture Stock	348,666 – –	– – –	4	13,946 12 9
		880,938 10 –	–	32,575 – 8
Annuity:				
Annuity terminating in 1957	– – –	– – –	–	116,850 14 9
				149,425 15 5
Debt incurred and Annuity created in respect of the Scinde Punjab and Delhi Railway.				
Debt bearing Interest:				
India 3½ per Cent. Stock	4,305,511 7 8	– – –	3½	150,692 17 11
India 3 per Cent. Stock	† — *16,553 8 8*	– – –	3	— *496 12 1*
		4,288,957 19 –	–	150,196 5 10
Annuity:				
Annuity terminating in 1958	– – –	– – –	–	371,361 3 7
				521,557 9 5
Debt incurred in respect of the Oude and Rohilkund Railway.				
Bearing Interest:				
India 3½ per Cent. Stock	‡ — *31,609 18 5*	– – –	3½	— *1,106 6 11*
India 3 per Cent. Stock	10,333,027 16 9	– – –	3	309,990 16 8
India 2½ per Cent. Stock	435,702 5 8	– – –	2½	10,892 11 2
		10,737,120 4 –	–	319,777 – 11
Debt incurred in respect of the South Indian Railway.				
Bearing Interest:				
India 3 per Cent. Stock	3,996,222 14 6	– – –	3	119,886 13 8
India 2½ per Cent. Stock	304,945 15 8	– – –	2½	7,623 12 11
South Indian Railway Debenture Stock	425,000 – –	– – –	4½	19,125 – –
		4,726,168 10 2	–	146,635 6 7
Debt incurred and Annuity created in respect of the Great Indian Peninsula Railway.				
Debt bearing Interest:				
India 3 per Cent. Stock	1,960,121 7 8	– – –	3	58,803 12 10
Great Indian Peninsula Railway Debenture Stock	2,701,450 – –	– – –	4	108,058 – –
Great Indian Peninsula Railway Debentures	250,000 – –	– – –	3	7,500 – –
Ditto ditto	1,002,100 – –	– – –	2½	25,052 10 –
		5,913,671 7 8	–	199,414 2 10
Annuity:				
Annuity terminating in 1948	– – –	– – –	–	1,268,516 – 7
				1,467,930 3 5
TOTAL Debt, Annual Interest thereon, and Indian Railway Annuities, on 31st March 1904 £	133,045,843 14 1		–	7,176,798 18 –

* This is the *actual* amount of Discount on the issue of the Bills.

† The Sinking Fund to redeem Debt issued in lieu of Annuity has been applied to this extent to the redemption of India 3 per Cent. Stock, instead of India 3½ per Cent. Stock.

‡ The Discount Sinking Fund, in redemption of Debt incurred in excess of money raised in respect of the India 3 per Cent. Stock issued in connection with the purchase of the Oude and Rohilkund Railway, has been applied to this extent to the redemption of India 3½ per Cent. Stock, instead of India 3 per Cent. Stock.

the Annual Interest thereon, and the INDIAN RAILWAY ANNUITIES, &c.—*continued.*

MANAGEMENT OF DEBT.

Average Amount of India Stocks on which Interest was paid during the year 1903.

	Bank of England.	Bank of Ireland.
	£ s. d.	£ s. d.
India 3½ per Cent Stock - - - - - -	60,389,031 10 11	2,557,033 2 9
India 3 per Cent. Stock - - - - -	47,111,845 19 9	1,523,538 1 6
India 2½ per Cent. Stock - - - - -	11,781,312 15 5	110,893 16 10
£	119,282,190 6 1	4,191,465 1 1

BANK OF ENGLAND.	£ s. d.	£ s. d.
Charge for Management for the Year 1903 :		
Sterling Debt :		
On 100,000,000*l.* India Stocks, at 360*l.* per million - - - - - - -	36,000 – –	
„ 19,282,190*l.* 6*s.* 1*d.* India Stocks, at 100*l.* per million - - - - - -	1,928 4 4	
„ 1,500,000*l.* India 3 per Cent. Stock, issued during the year, at 100*l.* per million a year, for 77 days - - - - - - - - - - - - -	31 12 10	
„ 4,910,766*l.* Indian Railway Debenture Stocks, at 300*l.* per million - - -	1,473 4 5	
Issue of 1,500,000*l.* India 3 per Cent. Stock at 500*l.* per million - - - -	750 – –	
Issue, &c., of 2,000,000*l.* India Bills, at 200*l.* per million - - - - - -	400 – –	
		40,583 1 7
Rupee Debt :		
Rs. 183,227,791 Indian Government Rupee Loans. at 300*l.* per ten million Rupees -	5,496 16 8	
Allowance for the assessment of Indian Income Tax on the Interest on Indian Government Rupee Loans, at 2*d.* per Rs. 10 deducted - - - - -	140 19 6	
		5,637 16 2
		46,220 17 9
BANK OF IRELAND.		
Charge for Management for the Year 1903 :		
On 4,191,465*l.* 1*s.* 1*d.* India Stocks, at 360*l.* per million - - - - - - - - -		1,508 18 3
	£	47,729 16 –

Arthur Guillum Scott,
Accountant-General.

No. 10.

STATEMENT showing New or Increased SALARIES or PENSIONS granted or created in *England*, between 1st April 1903 and 31st March 1904 (*see* the Government of India Act, 1858, Sec. 53).

SALARIES.

	Increase or Decrease in 1904–05.	
	Increase.	Decrease.
	£	£
Correspondence Department :—		
Clerk specially attached to the Political and Secret Department—Salary 700*l.*, rising by 25*l.* annually to 800*l.*	163	—
In lieu of Salary, 320*l.* rising by 20*l.* annually to 600*l.*		
Personal allowance to a Second Class Clerk as Shorthand Writer to the Secretary of State, 100*l.*	40	—
In lieu of 5*l.* a month while so employed		
Registry and Record Department :—		
Women Typists—Salary to commence at 18*s.* a week, rising to 19*s.* a week after the first year	10	—
In lieu of 16*s.* and 17*s.* a week respectively		
Two Temporary Minor Staff Posts, held by Second Class Clerks.—Salaries 320*l.* and 300*l.* respectively, until such time as the incumbents would have attained those salaries in the ordinary course	69	—
Miscellaneous Officers, &c.		
President of the Medical Board—Salary 800*l.*	—	—
In lieu of 600*l.*, in addition to which the previous incumbent received an Honorarium of 200*l.* a year		
Assistant Ordnance Consulting Officer for India. Appointment tenable by an Indian Officer whose Military Pay remains in abeyance	500	—
Store Department :—		
Inspector of Machinery, India Store Depôt—Salary 400*l.*, rising by 15*l.* annually to 500*l.*	411	—
One additional Assistant Inspector of Stores during the employment of one of the staff to assist the Inspector of Scientific Instruments—Salary 150*l.*, rising by 5*l.* annually to 200*l.*, and then by 7*l.* 10*s.* annually to 250*l.*	154	—
The Assistant Inspector of Stores employed to assist the Inspector of Scientific Instruments to receive—Salary 250*l.*, rising by 10*l.* annually to 400*l.*	91	—
In lieu of Salary, 150*l.*, rising by 5*l.* annually to 200*l.*, and then by 7*l.* 10*s.* annually to 250*l.*		
Examiner of Surgical Instruments—Salary 100*l.*	50	—
In lieu of Salary, 50*l.*		
Three Second Class Clerks, interchangeable among Departments :— Salary, 70*l.*, rising by 5*l.* annually to 100*l.*; then by 7*l.* 10*s.* annually to 190*l.*; then by 10*l.* annually to 250*l.* Higher Grade—Salary 250*l.*, rising by 10*l.* annually to 350*l.*	254	—
Increases arising from periodical increments	2,059	—
Net decrease consequent on appointments abolished, vacancies, retirements, &c.	—	2,210
£	3,801	2,210
NET INCREASE, as shown on page 58	£ 1,591	

SUPERANNUATION AND RETIRED ALLOWANCES.

DETAILS of INCREASE and DIMINUTION in 1904–05.

Name.	Rank.	Age.	Service.	Salary.	Cause.	Amount. Commenced.	Amount. Ceased.
SUPERANNUATION ALLOWANCES :		*Years.*	*Years.*	£ *s.* *d.*		£ *s.* *d.*	£ *s.* *d.*
Came, Richard	Second Office Keeper	–	–	– –	Death	– –	176 13 4
Sharpe, Frederic Robert	Second Class Clerk, Registry and Record Department.	–	–	– –	ditto	– –	100 – –
Bradford, Colonel Sir Edward Ridley Colborne, Bart., G.C.B., G.C.V.O., K.C.S.I.	Secretary, Political and Secret Department.	66	3	1,200 – –	Age	*88 – –	—
Deacon, William Joseph	Messenger, First Class	60	34	120 – –	ditto	68 – –	—
Hobson, George Richard Albert.	Assistant Supervisor of Stamps, Stamp Branch.	63	30	200 – –	ditto	110 – –	—
Hooker, William Henslow.	Supervisor, First Grade, India Store Depôt.	51	26	500 – –	Ill health	216 13 4	—
Kerr, Thomas	Assistant Inspector of Stores, India Store Depôt.	57	†16	195 – –	Section 2 Superannuation Act, 1887.	39 2 1	—
Tawney, Charles Henry, C.I.E.	Librarian	66	10	600 – –	Age	100 – –	—
Trevor, Frederick George Brunton, C.I.E.	Director of Funds	65	45	1,000 – –	ditto	875 – –	—
Upton, Samuel Richard	Clerk specially attached to the Registry and Record Department.	45	27	328 10 –	Ill health (since dead).	147 16 6	147 16 6
				TOTAL		1,644 11 11	424 9 10
					INCREASE	£ 1,220 2 1	

* Also receives 828*l.* 13*s.* 4*d.* from British Funds for service under the Imperial Government.
† Including three years added for special qualifications.

No. 10.—STATEMENT showing New or Increased Salaries or Pensions, &c.—*continued.*

SUPERANNUATION AND RETIRED ALLOWANCES—DETAILS OF INCREASE and DIMINUTION in 1904–05—*contd.*

Name.	Rank.	Age.	Service.	Salary.	Cause.	Amount. Commenced.	Amount. Ceased.
COMPENSATION ALLOWANCE.		*Years.*	*Years.*	£ *s. d.*		£ *s. d.*	£ *s. d.*
Brereton, Ashley Francis	Redundant Senior Clerk, Correspondence Dept.	–	–	- -	Death - -	- -	443 6 8
					DECREASE - -	- -	£443 6 8
COMPASSIONATE ALLOWANCES :							
Bailey, Thomas - -	Labourer, India Store Depôt.	–	–	- -	Death - -	- -	13 4 4
Gammon, Mrs. Teresa -	Housemaid, India Office -	–	–	- -	ditto -	- -	18 5 –
Manning, Peter - -	Foreman Packer, India Store Depôt.	–	–	- -	ditto - -	- -	85 4 –
Phillips, Robert - -	Gatekeeper, India Store Depôt.	–	–	- -	ditto - -	- -	56 – –
Vaughan, John Charles	Smith, India Store Depôt	–	–	- -	ditto - -	- -	41 1 3
Collins A. - - -	Viewer, India Store Depôt	65	39	52*s.* 9*d.* a week.	Age - -	89 7 10	—
Shearing, Eli - -	First Class Foreman, India Store Depôt.	61	40	46*s.* a week.	ditto - -	79 19 –	—
Terry, Alfred - -	Second Class Foreman, India Store Depôt.	65	38	40*s.* a week	ditto - -	57 3 6	—
Thomas, Mrs. Ellen -	Housemaid, India Office -	54	33	40 - -	Ill health -	20 17 2	—
					TOTAL - - - £	247 7 6	213 14 7
					INCREASE - -		£ 33 12 11
					NET INCREASE - -		£ 810 8 4

SUPERANNUATION AND RETIRED ALLOWANCES.

ESTIMATED CHARGE for the Year 1904–05, including the Annual Amount of PENSIONS which have been commuted.

	1904–05.	1903–04.	Increase.	Decrease.
	£	£	£	£
Superannuation Allowances - - -	28,248	27,028	1,220	—
Compensation Allowances - - - -	14,403	14,846	—	443
Compassionate Allowances - - - -	2,772	2,738	34	—
£	45,423	44,612	1,254	443
			NET INCREASE - - -	£ 811.

Arthur Guillum Scott, Accountant-General.

No. 11.

LIST of the ESTABLISHMENT of the SECRETARY of STATE in COUNCIL of *India;* and ESTIMATE of the AMOUNT required in the Year ending 31st March 1905, to pay the SALARIES and other EXPENSES of the INDIA OFFICE, and of the OFFICE of the AUDITOR of the ACCOUNTS of the SECRETARY of STATE in COUNCIL.

		1904-05.	1903-04.	INCREASE.	DECREASE.
INDIA OFFICE.		£	£	£	£
SALARIES, WAGES, AND ALLOWANCES		145,428	143,837	1,591	—
POSTAGE OF DESPATCHES TO INDIA		400	400	—	—
TELEGRAMS TO INDIA		5,500	5,000	500	—
LAW CHARGES		400	300	100	—
CONTINGENCIES		14,200	16,500	—	2,300
CONTINGENCIES OF THE STORE DEPÔT		11,500	10,700	800	—
STATIONERY, PRINTING, AND BOOKBINDING		8,200	7,000	1,200	—
OFFICE OF AUDITOR.					
SALARIES AND ALLOWANCES		7,159	6,985	174	—
CONTINGENCIES (INCLUDED IN THOSE OF THE INDIA OFFICE)		—	—	—	—
	£	192,787	190,722	4,365	2,300
				NET INCREASE	£ 2,065.
SUPERANNUATION AND RETIRED ALLOWANCES	£	*45,423	*44,612	811	—

* Estimated Charge for the Year, including the annual amount of Pensions which have been commuted.

INDIA OFFICE.

SUMMARY of SALARIES, WAGES, and ALLOWANCES.

Numbers. 1903-04.	Numbers. 1904-05.		1904-05.	1903-04.	INCREASE.	DECREASE.
			£	£	£	£
16	16	Secretary of State, Permanent Under Secretary of State, Parliamentary Under Secretary of State, Assistant Under Secretary of State and Clerk to Council, and 12 Members of Council	23,200	23,200	—	—
55	55	Correspondence Department	28,930	28,905	25	—
7	7	Funds Department	2,668	2,562	106	—
47	47	Accountant General's Department	17,024	16,548	476	—
61	63	Registry and Record Department	10,237	9,744	493	—
23	23	Miscellaneous Officers, &c.	12,120	11,855	265	—
56	56	Office Keepers and Messengers	5,967	5,926	41	—
34	34	Housekeeper, Housemaids, and Charwomen	1,382	1,382	—	—
21	21	Artificers and Labourers employed at the India Office	1,945	1,919	26	—
106	110	Store Department: Salaries.—India Office Branch, Branch at the India Store Depôt, and Stamp Branch	28,746	28,381	365	—
426	432		132,219	130,422		
187	186	Wages.—Artificers, Labourers, and Fire Watchmen, and Charwoman, employed at the Store Depôt; Examiners and Tellers employed by the Inland Revenue Department in connection with the supply of Stamps for India	13,209	13,415	—	206
613	618	£	145,428	143,837	1,797	206
					NET INCREASE	£ 1,591.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

DETAILS OF THE FOREGOING.

Numbers.		SALARIES, WAGES, AND ALLOWANCES.	SALARY OF OFFICE.			1904-05.	1903-04.
1903-04.	1904-05.		Minimum.	Annual Increment.	Maximum.		
		SECRETARY OF STATE, &c.	£	£	£	£	£
1	1	Secretary of State				5,000	5,000
1	1	Permanent Under Secretary of State				2,000	2,000
1	1	Parliamentary Under Secretary of State				1,500	1,500
1	1	Assistant Under Secretary of State and Clerk to Council				1,500	1,500
12	12	Members of Council at 1,200*l.* each (1), (2)				13,200	13,200
16	16				£	23,200	23,200

(1) Seven also receive Indian Civil Service Annuities of 1,000*l.* each; one, an Indian Judicial Pension of 1,500*l.* a year; one, Indian Military Pay at 25*s.* a day and Colonel's Allowance at 668*l.* 12*s.* 5*d.* a year; and one, Indian Military Pay at 650*l.* a year and Good Service Pension of 100*l.* a year.

(2) The salary of one is in abeyance during his employment under the Imperial Government.

		CORRESPONDENCE DEPARTMENT (including Financial, Judicial and Public, Military, Political and Secret, Public Works, and Revenue and Statistics Departments).					
6	6	Secretaries, at 1,200*l.* each (1)				7,200	7,200
6	6	Assistants (2)	800	50	1,000	5,862	5,912
8	8	Senior Clerks (3)	600	25	800	5,238	5,625
1	1	Clerk specially attached to the Political and Secret Department	700	25	800	713	530
8	9	Junior Clerks (4)	200	20	600	2,972	2,605
1	1	Political Aide-de-Camp to the Secretary of State for India (Inclusive of 200*l.* consolidated travelling allowance) (5)				800	800
1	1	Clerk for Examination of Army Non-Effective Accounts	400	15	500	500	500
3	3	Staff Clerks	350	15	500	1,215	1,203
1	1	Clerk for Special Duties	250	10	350	350	350
2	1	Second Class Clerks, Higher Grade	250	10	350	282	550
11	11	Second Class Clerks (6)	70	5 7*l.* 10*s.* 10	100 190 250	1,529	1,417
1	1	Clerk specially attached	4*l.* 14*s.* 6*d.* a week.	10/6 a week (triennially)	6*l.* 6*s.* a week.	329	329
1	1	*Director-in-Chief of the Indo-European Telegraph, Public Works Department (7)				475	475
3	3	Clerks, ditto — One	320	20	700	1,231	1,186
		Clerks, ditto — One	250	10 15	350 450		
		Clerks, ditto — One	150	7*l.* 10*s.* 10	190 350		
2	2	Second Class Clerks, ditto	70	5 7*l.* 10*s.* 10	100 190 250	234	223
55	55				£	28,930	28,905

(1) Besides the sums included above, one receives Indian Military Pay at 25*s.* a day and Colonel's Allowance at 668*l.* 12*s.* 5*d.* a year; and two receive Indian Civil Service Annuities of 1,000*l.* each.

(2) One receives an extra allowance of 100*l.*

(3) One receives also 300*l.* as Private Secretary to the Secretary of State (charged under "Miscellaneous Officers, &c."); and one received a compensation allowance of 100*l.* in 1903–04.

(4) One receives 150*l.* as Assistant Private Secretary and Précis Writer to the Secretary of State; two receive 150*l.* each as Private Secretaries to the Under-Secretaries of State; one receives 50*l.* as Resident Clerk; and one 50*l.* as Reading Clerk to Council.

(5) Also receives an Indian Military Pension of 700*l.* a year.

(6) One holds a Temporary Minor Staff Post at a Salary of 190*l.*, and receives an extra allowance of 100*l.* as Shorthand Writer to the Secretary of State; and one receives an extra allowance of 25*l.*

(7) Salary of Office, 1,000*l.* *less* Indian Civil Pension of 525*l.* (the equivalent at 1*s.* 9*d.* of Rs. 6,000) a year.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued*.

Numbers. 1903-04.	Numbers. 1904-05.	SALARIES WAGES, AND ALLOWANCES —*continued*.	SALARY OF OFFICE. Minimum.	Annual Increment.	Maximum.	1904-05.	1903-04.
		FUNDS DEPARTMENT.					
			£	£	£	£	£
1	1	Director of Funds	800	50	1,000	975	900
1	1	Senior Clerk	500	20	700	700	700
1	3	Second Class Clerks, Higher Grade (1)	250	10	350	828	320
4	2	Second Class Clerks	70	5 7*l.* 10*s.* 10	100 190 250	165	642
7	7				£	2,668	2,562

(1) One holds a temporary Minor Staff Post at a salary of 320*l.*

		ACCOUNTANT-GENERAL'S DEPARTMENT.					
1	1	Accountant General	- -	- -	- -	1,200	1,200
1	1	Deputy Accountant General	800	25	1,000	925	900
5	5	Senior Clerks (1)	500	20	700	3,445	3,365
2	2	Redundant Senior Clerks	500	20	700	1,235	1,190
6	6	Junior Clerks (2)	150	15 20	300 500	2,367	2,277
4	4	Staff Clerks	350	15	500	1,625	1,561
15	15	Second Class Clerks, Higher Grade	250	10	350	4,813	4,728
12	12	Second Class Clerks	70	5 7*l.* 10*s.* 10	100 190 250	1,264	1,177
1	1	Keeper of Records	120	10 (triennially)	150	150	150
47	47				£	17,024	16,548

(1) Three receive extra allowances, one of 100*l.*, and two of 50*l.* each.
(2) One receives 50*l.* for compiling a portion of the "India List and India Office List."

		REGISTRY AND RECORD DEPARTMENT.					
1	1	Registrar and Superintendent of Records	- -	- -	- -	1,000	1,000
1	1	Assistant to Registrar	550	15	700	588	573
3	3	Staff Clerks	350	15	500	1,257	1,212
6	6	Second Class Clerks, Higher Grade (1)	250	10	350	1,849	1,730
20	22	Second Class Clerks	70	5 7*l.* 10*s.* 10	100 190 250	2,230	1,962
2	2	Clerks specially attached (2)	4*l.* 14*s.* 6*d.* a week.	10/6 a week (triennially)	6*l.* 6*s.* a week.	757	757
5	5	Supplemental Clerks	124 and then by 10*s.* 6*d.* a week, triennially.	2*l.* 10*s.*	150 250	887	880
1	1	Keeper of Records	150	5	200	195	190
1	1	Keeper of Geographical Records	100	5	200	200	200
1	1	Record Keeper, Military Department	115	3	140	127	124
14	14	Women Typists — Chief Superintendent	31*s.* a week	2*s.* a week	35*s.* a week	893	856
		Superintendent	26*s.* a week	2*s.* a week	30*s.* a week		
		Typists	18*s.* a week, first year 19*s.* a week	- 2*s.* a week	- 25*s.* a week		
1	1	*Hectographist	15*s.* a week	2*s.* a week every 2 yrs.	21*s.* a week	44	40
5	5	*Boy Clerks	15*s.* to 19*s.* a week	-	-	210	220
61	63				£	10,237	9,744

(1) Two hold Temporary Minor Staff Posts at salaries of 320*l.* and 300*l.* respectively, and one receives 50*l.* for compiling a portion of the "India List and India Office List."
(2) One receives 50*l.* as Resident Clerk, and 50*l.* as Assistant Editor of Telegraph Codes.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

Numbers.		SALARIES, WAGES, AND ALLOWANCES, —*continued.*	SALARY OF OFFICE.			1904-05.	1903-04.
1903-04.	1904-05.		Minimum.	Annual Increment.	Maximum.		
		MISCELLANEOUS OFFICERS, &c.	£	£	£	£	£
— (1)	— (1)	Private Secretary to the Secretary of State	- -	- -	-	300	300
1	1	Government Director of Indian Railway Companies (2)	- -	- -	- -	1,000	1,000
1	1	Deputy Government Director of Indian Railway Companies	- -	- -	- -	700	700
1	1	Librarian	- -	- -	- -	600	600
1	1	Assistant to ditto	- -	- -	- -	350	350
1	1	Second Class Clerk, Higher Grade, employed in the Library	250	10	350	350	350
1	1	*Boy Clerk employed in the Library	15*s.* to 19*s.* a week			42	42
1	1	President of the Medical Board for the examination of Officers of the Indian Services (3)	- -	- -	- -	800	800
1	1	*Member of the Medical Board (4)	- -	- -	- -	300	300
1	1	Legal Adviser and Solicitor to the Secretary of State (5)	- -	- -	- -	1,200	1,200
1	1	Assistant Solicitor	600	25	800	694	669
1	1	Clerk, Legal Adviser and Solicitor's Department	200	10	300	236	226
1	1	*Valuation Officer for Military Equipment and Clothing (6)	- -	- -	- -	500	500
1	1	Assistant to Valuation Officer for Military Equipment and Clothing (7)	250	10	400	357	305
1	1	Actuary	600	25	800	800	800
1	1	*Computing Clerk to the Actuary	- -	- -	- -	250	250
1	1	Surveyor and Clerk of the Works	300	10	400	370	360
1	1	Assistant to ditto	180	10	250	241	231
1	1	*Ordnance Consulting Officer for India	- -	- -	- -	1,000	1,000
—	1	*Assistant to ditto	- -	- -	- -	500	—
1	1	*Assistant Military Secretary for Indian Affairs at the War Office	- -	- -	- -	1,000	1,000
1	1	Second Class Clerk, attached to Assistant Military Secretary for Indian Affairs at the War Office	70	5 7*l.* 10*s.* 10	100 190 250	130	122
1	1	*Officer of the Indian Army attached to the General Staff, War Office (8)	- -	- -	- -	200	200
1	—	**Registrar of the Orders of the Star of India and of the Indian Empire* (9)	- -	- -	- -	—	*350*
1	1	*Member of the Army Sanitary Committee, for the Indian portion of the work (10)	- -	- -	- -	200	200
23	23				£	12,120	11,855

(1) The present incumbent is not counted here, being a Senior Clerk in the Correspondence Department.
(2) Also receives an Indian Civil Pension of 612*l.* 10*s.* (the equivalent at 1*s.* 9*d.* of Rs. 7,000) a year.
(3) Also receives an Indian Medical Pension of 950*l.* a year.
(4) Also receives an Indian Medical Pension of 500*l.* a year.
(5) Also receives an Indian Judicial Pension of 1,200*l.* a year.
(6) Also receives a pension of 467*l.* a year granted for service in the British Army.
(7) In addition to salary, receives two guineas for each Valuation Statement prepared.
(8) In addition to 500*l.* a year from the War Office.
(9) The work in connection with these Orders will in future be performed in the Lord Chamberlain's Office, a contribution from Indian Revenues of 100*l.* a year being made towards the expenses.
(10) Also receives an Indian Medical Pension of 950*l.* a year.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

Numbers. 1903-04.	Numbers. 1904-05.		SALARY OF OFFICE. Minimum.	Annual Increment.	Maximum.	1904-05.	1903-04.
		SALARIES, WAGES, AND ALLOWANCES —*continued.*					
		OFFICE KEEPERS AND MESSENGERS.	£	£	£	£	£
1	1	Head Office Keeper	With apartments			200	200
1	1	Second Office Keeper			150	176	176
			In lieu of Apartments		26		
1	1	Third Office Keeper	With apartments			140	140
20	20	Messengers, First Class (with uniform) (1)	105	2*l.* 10*s.*	120	2,540	2,517
29	29	Messengers, Second Class (with uniform) (1),(2)	80	2	100	2,767	2,764
4	4	*Boy Messengers	At 1*s.* 6*d.* to 2*s.* 6*d.* a day			144	129
56	56				£	5,967	5,926

(1) In addition to their salaries, certain Messengers receive the following allowances:—Three 30*l.* each for attendance on the Secretary of State; one 20*l.*, and one 10*l.*, for attendance on the Under Secretaries of State; one 25*l.*, as Bank Messenger; one 20*l.* for superintending the delivery of coal; one 30*l.* for the despatch of letters; one 20*l.* for assisting the Head Office Keeper; one 10*l.* for mail work; two 10*l.* each for performing the duties of Hall Porter; and one 5*l.* for assisting the Keeper of Records, Registry and Record Department.

(2) Eight receive also pensions varying from 1*s.* to 2*s.* 9*d.* a day, granted for service in the British Army.

		HOUSEKEEPER, HOUSEMAIDS, AND CHARWOMEN.					
1	1	Housekeeper	With apartments			80	80
28	28	*Housemaids, at 40*l.* a year each				1,120	1,120
5	5	*Charwomen, at 14*s.* a week each				182	182
34	34				£	1,382	1,382
21	21	*ARTIFICERS AND LABOURERS EMPLOYED AT THE INDIA OFFICE	At wages varying from 1*l.* 5*s.* to 2*l.* 10*s.* a week			1,945	1,919
		STORE DEPARTMENT.					
		India Office Branch.					
1	1	Director General				1,200	1,200
1	1	Deputy Director General	800	25	1,000	925	900
5	5	Senior Clerks (1)	500	20	700	3,810	3,770
2	2	Junior Clerks	150	15 / 20	300 / 500	769	734
1	1	Staff Clerk	350	15	500	399	384
2	2	Second Class Clerks, Higher Grade	250	10	350	632	622
11	11	Second Class Clerks (2)	70	5 / 7*l.* 10*s.* / 10	100 / 190 / 250	1,256	1,200
1	1	Clerk for Railway Stores	150	10	350	350	345
1	1	Supplemental Clerk	115	2*l* 10*s.*	150	143	141
1	1	*Hired Writer				218	218
1	1	*Clerk for Ordnance Stores (3)	7*s.* 6*d.* a day.	6*d.* a day.	10*s.* a day.	148	139
1	1	*Boy Clerk	15*s.* to 19*s.* a week			42	43
1	1	*Surveyor of Shipping				600	600
29	29	Carried forward			£	10,492	10,296

(1) Four receive extra allowances of 100*l.* each.
(2) One holds a Temporary Minor Staff Post at a salary of 220*l.*
(3) Also receives a pension of 2*s.* 4½*d.* a day granted for service in the British Army.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued*.

Numbers.			SALARY OF OFFICE.			1904 05.	1903-04.
1903-04.	1904-05.		Minimum.	Annual Increment.	Maximum.		
		SALARIES, WAGES, AND ALLOWANCES —*continued*.	£	£	£	£	£
		STORE DEPARTMENT—*continued*.					
29	29	Brought forward	- -	- -	- -	10,492	10,296
		Branch at the India Store Depôt.					
1	1	Superintendent (1)	- -	- -	- -	800	800
1	1	Assistant Superintendent (2)	- -	- -	- -	600	600
4	4	Supervisors, First Grade (3)	400	15	500	1,882	1,948
—	1	Inspector of Machinery	400	15	500	411	—
6	6	Supervisors, Second Grade (3) (4)	250	10	400	1,851	1,965
1	1	Second Class Clerk, Higher Grade	250	10	350	257	332
15	18	Second Class Clerks	70	5 / 7*l.* 10*s.* / 10	100 / 190 / 250	1,909	2,125
14	14	Inspectors of Stores (5)	250	10	350	4,563	4,503
16	17	Assistant Inspectors of Stores (6)	150	5 / 7*l.* 10*s.*	200 / 250	3,022	2,803
1	1	Custodian of Patterns (3)	150	(7)	250	270	270
1	1	Storeholder	120	5	160	125	120
1	1	Engineer (3)	120	(7)	200	215	215
1	1	Assistant Surveyor of Shipping	120	10	200	200	200
1	1	Inspector of Scientific Instruments (8)	300	15	500	600	600
1	1	*Examiner of Surgical Instruments (9)	- -	- -	- -	100	50
1	1	*Examiner of Medical Stores (10)	- -	- -	- -	300	300
1	1	*Medical Attendant on Labourers	- -	- -	-	100	100
2	2	Messengers (with uniform)	80	2	100	188	184
5	4	*Boy Clerks	15*s.* to 19*s.* a week			168	220
		Stamp Branch. (*Paid through Inland Revenue Department.*)					
1	1	Supervisor of Stamps	200	10	300	272	262
1	1	Assistant ditto	150	7*l.* 10*s.*	200	159	196
2	2	Examiners of Stamps	100	5	150	262	292
106	110					28,746	28,381
13	9	**Artificers and Labourers employed at the Store Depôt*	- -	- -	- -	782	1,244
146	151	**Labourers and Fire Watchmen temporarily employed at the Store Depôt*	- -	- -	- -	10,771	10,440
1	1	**Charwoman temporarily employed at the Store Depôt*	- -	- -	- -	36	36
27	25	**Examiners and Tellers temporarily employed at the Stamp Branch*	- -	- -	- -	1,620	1,695
293	296				£	41,955	41,796

(1) Also receives a pension of 310*l.* a year granted for service in the Royal Navy.
(2) Also receives an Indian Military Pension of 55*l.* a year.
(3) Extra allowances as follows:—Two Supervisors, First Grade, 50*l.* each; one Supervisor, Second Grade, 25*l.*; Custodian of Patterns, 20*l.*; and Engineer, 15*l.*
(4) One also receives an Indian Military Pension of 58*l.* a year.
(5) One also receives a pension of 2*s.* 6*d.* a day granted for service in the British Army.
(6) One of the present Assistant Inspectors receives a salary of 250*l.*, rising by 10*l.* annually to 400*l.*
(7) Rising on report of the Director General.
(8) Receives a personal allowance of 100*l.*
(9) Also receives an Indian Medical Pension of 292*l.* a year and an annuity of 300*l.* from the Benga Medical Retiring Fund.
(10) Also receives an Indian Medical Pension of 365*l.* a year.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued*.

	1904-05.	1903-04.	INCREASE.	DECREASE.
CONTINGENCIES OF THE INDIA OFFICE.	£	£	£	£
Rates and Taxes	2,700	2,620	80	—
Repairs, Furniture, and Fittings	5,370	*7,870	—	2,500
Coal and Firewood	500	400	100	—
Gas and Electric Lighting; Soap and other House Articles	1,000	1,000	—	—
Postage (excluding Postage to India)	1,000	1,000	—	—
Telegrams (excluding Telegrams to India)	80	80	—	—
Travelling Expenses	240	240	—	—
Newspapers, Books, Periodicals, Parliamentary Papers, &c.	850	850	—	—
Advertisements	900	830	70	—
Stamps	120	120	—	—
Postal and Money Orders	100	70	30	—
Messengers' Uniforms	300	400	—	100
Messengers' Allowances for Night Watching	183	183	—	—
Pay of Police	150	150	—	—
Miscellaneous	707	687	20	—
£	14,200	16,500	300	2,600
NET DECREASE				£ 2,300.

* Includes 3,000*l*. for new Courtyard Floor.

CONTINGENCIES OF THE STORE DEPÔT.			
Rates and Taxes	950	950	—	—
Repairs, Furniture, and Fittings	3,200	2,900	300	—
Coal and Coke	450	500	—	50
Gas and Electric Lighting; Soap, and other House Articles	350	400	—	50
Travelling Expenses of Officers of the Department	3,200	2,900	300	—
Commission and Travelling Expenses of Professional Inspectors	1,300	1,000	300	—
Carriage of Stores	250	250	—	—
Patterns	100	80	20	—
Advertisements	35	35	—	—
Pay of Police	125	125	—	—
Miscellaneous	540	560	—	20
Inland Revenue Department for superintendence of the supply of Stamps for India	1,000	1,000	—	—
£	11,500	10,700	920	120
NET INCREASE				£ 800.

OFFICE OF AUDITOR.

SALARIES AND ALLOWANCES under the Government of India Act, 1858, sec. 52.

Numbers.			SALARY OF OFFICE.			1904-05.	1903-04.
1903-04.	1904-05.		Minimum.	Annual Increment.	Maximum.		
			£	£	£	£	£
1	1	Auditor	-	-	-	1,200	1,200
1	1	Assistant to the Auditor	800	25	1,000	831	806
4	4	Senior Clerks	500	20	700	2,550	2,490
1	1	Junior Clerk	150	15 20	300 500	475	455
2	2	Staff Clerks — One One	350 200	15 10	500 400	625	600
1	1	Second Class Clerk, Higher Grade	250	10	350	320	320
10	10	Second Class Clerks (1)	70	5 7*l*. 10*s*. 10	100 190 250	1,158	1,114
20	20				£	7,159	6,985
		INCREASE					£ 174.

Arthur Guillum Scott, Accountant-General.

(1) Three hold Temporary Minor Staff Posts at a salary of 150*l*.

EAST INDIA (HOME ACCOUNTS).

HOME ACCOUNTS

OF THE

GOVERNMENT OF INDIA.

(*Presented pursuant to the Government of India Act*, 1858, *s.* 53.)

Ordered, by The House of Commons, *to be Printed*,
12 *May* 1904.

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[*Price 7d.*]

171.

EAST INDIA (APPEALS).

RETURN to an Address of the Honourable The House of Commons, dated 10 April 1905;—*for*,

"RETURN of RULES, as last revised, governing the submission of APPEALS to the GOVERNMENT of INDIA from the orders of subordinate authorities, and to the Secretary of State in Council from the orders of the Government of India and the Governments of Madras and Bombay:

"And, also of the number of such APPEALS submitted for the consideration of the Secretary of State in Council during the six years ending the 31st day of December 1904, giving the number in each year separately, and showing how many were forwarded to the Secretary of State for orders and how many were withheld in India, and how these statistics compared with the corresponding figures for the six years ending the 31st day of December 1898."

India Office,
14 April 1905.

ARTHUR GODLEY,
Under Secretary of State.

(*Sir Mancherjee Bhownaggree*).

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Ordered, by The House of Commons, *to be Printed*, 19 *April* 1905.

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134.

EAST INDIA (APPEALS).

GOVERNMENT OF INDIA NOTIFICATION.

HOME DEPARTMENT.

Calcutta, the 19th January 1905.

No. 147.—The following rules regarding the submission of petitions to the Government of India are published for general information in supersession of the rules published with the Home Department notification No. 1812, dated the 11th October 1889, as amended by subsequent notifications:—

Rules regarding the submission of Petitions to the Government of India.

NOTE 1.—In these rules the words "Local Government" include a Local Administration, the Commander-in-Chief in India, and a Lieutenant-General Commanding the Forces, and also, except as regards rule 11 (7), the head of a department directly under the Government of India.

NOTE 2.—These rules do not apply to non-pensionable subordinate, clerical, and menial establishments employed in the construction and working of State Railways, to whom Circular No. VI., Railway, Public Works Department, dated 1st June 1888, applies.

NOTE 3.—These rules apply, so far as may be, to all memorials, letters and applications, etc., addressed to the Governor-General in Council.

NOTE 4.—These rules apply also to petitions by persons no longer in military employ who have served in the Army or the Royal Indian Marine, or have been attached to regiments or batteries or the staff or departments of the Army in any capacity.

SECTION I.

As to the submission of petitions to the Government of India by private persons or public bodies.

1. Every petition to the Government of India should be forwarded through the Local Government having jurisdiction in respect of the subject-matter of the petition. In cases where no Local Government is in a position to deal with the subject-matter of the petition, it should be forwarded through the Local Government within whose jurisdiction the petitioner is or has last been residing or employed.

2. A petition may be either in manuscript or in print but must, with all accompanying documents, be properly authenticated by the signature of the petitioner, or when the petitioners are numerous by the signatures of one or more of them, and it must conclude with a specific prayer.

3. Every petition should be accompanied by a letter addressed to the Local Government requesting its transmission to the Government of India, and, when any order of a Local Government is appealed against, by a copy of such order, as well as of any orders passed in the case by subordinate authorities.

4. Communications on matters connected with any Bills before the Council may be addressed either in the form of a petition to the Governor-General in Council or in a letter to the Secretary in the Legislative Department, and must in either case be sent to the Secretary in the Legislative Department. Ordinarily such communications will not be answered. Except in the case of the High Court at Fort William, such communications from courts, officials or public bodies should be sent through the Local Government.

SECTION II.

As to the submission of petitions by Officers in civil employ.

5. Every officer wishing to petition the Government of India should do so separately.

6. Every petition should be submitted through the head of the office or department to which the petitioner belongs, and should be forwarded by him through the usual official channel.

7. No officer may submit a petition in respect of any matter connected with his official position unless he has some personal interest in the matter.

8. No notice will be taken of a petition relating to any matter connected with the official prospects or position of an officer still in the public service unless it is submitted by the officer himself.

SECTION III.

As to the transmission or withholding of petitions by Local Governments.

9. Every petition to the Government of India should be forwarded by the Local Government concerned with a concise statement of the material facts and (unless there are special reasons for not doing so) an expression of opinion.

If the petition is an appeal against an order of dismissal from Government service, the papers submitted by the Local Government should show whether the charge against the petitioner was reduced to writing; whether his defence was taken and reduced to writing; and whether the decision was in writing. Where service or character books are maintained these also should be submitted.

10. When the petition is not in English, the Local Government should transmit a translation with it.

11. Local Governments are vested with discretionary power to withhold petitions addressed to the Government of India in the following cases:—

(1) When a petition is illegible or unintelligible.

(2) When a petition contains language which, in the opinion of the Local Government, is disloyal, disrespectful, or improper.

(3) When a previous petition has been disposed of by the Secretary of State for India or the Governor-General in Council, and the petition discloses no new facts or circumstances which afford grounds for a reconsideration of the case.

(4) When a petition is an application for pecuniary assistance by a person manifestly possessing no claim.

(5) When a petition is an application for employment from a person not in the service of Government, or is a request for exemption from the provisions of any law or rule prescribing the qualifications to be possessed by persons in the service of Government or by persons engaging in any profession or employment.

(6) When a petition is an appeal from a judical decision with which the executive has no legal power of interference.

NOTE 1.—In the following cases, namely—

(*a*) when a petition is an appeal from a judicial decision in a case in which the Government has reserved any discretion of interference; or

(*b*) when a petition is an appeal from a judicial decision in a suit to which the Government was a party; or

(*c*) when a petition is practically a prayer for mercy or pardon, or contains such a prayer;

the petition must be transmitted to the Government of India, unless it falls under clause (13) of this rule.

NOTE 2.—When a petition of the kind referred to in clause (*c*) of Note 1 is addressed to the Government of India after a previous petition has been rejected by the Local Government, the petition must be transmitted, unless the case is one of which the Local Government is competent to dispose on its own responsibility under the orders contained in the resolution of the Government of India in the Home Department No. $\frac{20}{1403-13}$, dated the 14th October 1885.

(7) When a petition is an appeal against an order of the Local Government upholding on appeal the dismissal, removal, reduction or other punishment of a Government servant or an employé of a local authority whose salary was not more than ₹100 a month.

(8) When a petition is an appeal against a decision which by any law or rule having the force of law, is declared to be final.

(9) When a petition is addressed by an officer still in the public service and has reference to his prospective claim for pension, except as provided in Article 915 of the Civil Service Regulations.

(10) When a petition is an appeal against the non-exercise by the Local Government of a discretion vested in it by law or rule.

(11) When a petition is an appeal in a case for which the law provides a different or specific remedy, or in regard to which the time limited by law for appeal has been exceeded.

(12) When a petition is an appeal against an order or decision of the Local Government, and is made more than six months after the communication of such order or decision to the petitioner without satisfactory explanation of the delay.

(13) When a petition relates to a subject on which the Local Government is competent to pass orders and no previous application for redress has been made to the Local Government.

(14) When a petition makes a proposal regarding legislation which the Local Government is not prepared to support.

12. If a petition is withheld, the petitioner should be informed of the fact and the reason for it.

13. A list of petitions withheld under rule 11, with the reasons for withholding them, shall be forwarded quarterly to the Government of India in the proper department.

No. 148.—The following rules for the submission, receipt, and transmission of memorials and other papers of the same class to His Majesty the King, Emperor of India, or to the Right Honourable the Secretary of State for India are published for general information in supersession of the rules published with the Home Department Notification No. 707, dated 29th March 1878, as amended by subsequent notifications:—

Rules regarding the submission of memorials and other papers of the same class to His Majesty the King, Emperor of India, or to the Right Honourable the Secretary of State for India.

N.B.—These rules do not in any way affect or supersede orders issued on the same subject by the military authorities for the guidance of the Army.

I.—No memorial will be received or attended to unless forwarded as hereinafter prescribed.

II.—Every memorial should be accompanied by a letter requesting its transmission to the authority to which it is addressed.

III.—Every memorial to His Majesty or to the Secretary of State for India should be presented through the Local Government having jurisdiction in respect of the subject-matter of the memorial. In cases where no Local Government is in a position to deal with the subject-matter of the memorial,

it should be presented through the Local Government within whose jurisdiction the memorialist is or has last been residing or employed, or, if there is no Local Government answering to these descriptions, then through the Government of India.

IV.—Every memorial to His Majesty or to the Secretary of State for India presented through the Government of Madras or Bombay should be forwarded direct by the Local Government, with a full statement of facts and an expression of opinion, except in the case of a memorial which—

(*a*) relates to—

(i) any rule or standing order of the Government of India; or

(ii) any Legislative Proceeding of the Governor-General in Council or to an Act to which the Governor-General has assented; or

(iii) a case which has been previously under the consideration of the Government of India, whether on appeal or otherwise; or

(*b*) if granted, would cause expenditure for which the Imperial and not the Local Government would be primarily responsible.

Every such memorial should be forwarded with a covering letter containing a full statement of facts and an expression of opinion to the Government of India in the proper Department for transmission to the Secretary of State* for India.

V. Every memorial to His Majesty or to the Secretary of State for India presented through a Local Government, other than the Government of Madras or Bombay, should be forwarded by the Local Government, with a full statement of facts and an expression of opinion, to the Government of India in the proper department for transmission to the authority addressed.†

VI. Every memorial to His Majesty or to the Secretary of State for India from a person who has been employed in the Army should, if it relates to a military subject, be forwarded through the Lieutenant-General Commanding the Forces of the Command in which the memorialist has served. The Lieutenant-General will forward it, with a full statement of facts and an expression of opinion, to the Government of India in the Military Department for transmission to the authority addressed.‡

VII.—No limit is fixed to the time within which an appeal from an order of the Governments in India must be preferred to the Home Government, except in the case of an appeal from a judical decision in which the judge is a political officer, and in which the appeal ordinarily lies to Government in the Political Department. Such appeals must be preferred within a period of twelve months from the date of communication to the person concerned of the order to which objection is taken.

VIII.—A memorial may be transmitted either in manuscript or in print, but must, with all accompanying documents, be properly authenticated by

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* "In the case of memorials and petitions against, or regarding Acts passed by the Legislative Council of the Governor-General, the Legislative Department is to be considered to be the department having cognizance of the subject matter of the memorial. Such memorials will be transmitted to His Majesty's Secretary of State through that department; and to it should be referred all memorials of the kind now described, which may reach any other department of the Government of India. The Legislative Department will, when necessary, consult the executive department concerned before disposing of, or transmitting, such memorials."—Home Department No. $\frac{22\text{-Public}}{996-1001}$, dated 24th May 1878.

Memorials involving questions relating to pensions, gratuities, allowances, and the like should be forwarded through the Government of India.—Home Department Notification No. 5153, dated 10th September 1901.

† Appeals by private persons from the orders of the Lieutenant-Governors lie, in the first instance, to the Governor-General in Council. An appeal to the Secretary of State will lie only in the event of an appeal to the Governor-General in Council having been rejected.

‡ Appeals by individuals from the orders of the Lieutenant-General Commanding the forces, lie, in the first instance, to the Governor-General in Council, and thereafter to the Secretary of State.

the signature of the memorialist on each sheet, and must conclude with a specific prayer.

IX.—Memorials, together with their accompanying documents, should be in English.* If the accompanying documents must necessarily be forwarded in the vernacular, an English translation should be appended, which should be attested by the signature of the memorialist.

N.B.—It will be well for the transmitting office to examine such translations, and if they are found to be incorrect or faulty, to notice the fact in sending on the memorial.

X.—It is not necessary that memorials should be forwarded in duplicate or triplicate. The originals will invariably be transmitted to England, a copy being made and retained by the Government of India, if necessary, for record.

XI.—As a general rule, the transmission to England of a memorial duly forwarded through the proper channel should not be delayed by the transmitting Government in India beyond a month after the receipt of the memorial.

XII.—The Governments in India are vested with discretionary power to withhold the transmission of memorials addressed to His Majesty or to the Secretary of State for India in the following cases:—

(1) When a memorial is illegible or unintelligible.

(2) When a memorial contains disrespectful or improper language.

(3) When a second memorial is presented after a decision has already been given by the authority to which it is addressed, and when no new facts or circumstances are adduced which afford grounds for a reconsideration of the case. A memorial addressed to His Majesty by a person whose appeal to the Secretary of State for India has already been rejected, shall be held to be a second memorial to the same authority, and shall not be transmitted.

(4) When a memorial is a mere application for pecuniary assistance by a person manifestly possessing no claim.

(5) When a memorial is an application for employment under one of the Governments in India from a person not in the service of the Government or is a request for exemption from the provisions of any law or rule prescribing the qualifications to be possessed by persons in the service of Government or by persons engaging in any profession or employment.

(6) When a memorial is a mere appeal from a judicial decision.

NOTE 1.—If the memorial is practically an appeal for mercy or pardon, or contains such an appeal, it must be transmitted, unless it falls under rule XIII.

NOTE 2.—When a memorial of the kind referred to in Note 1 is addressed to His Majesty or to the Secretary of State for India after a previous petition has been rejected by the Government of India or the Local Government, the memorial must be transmitted

* "As it frequently happens that the disposal of vernacular petitions presented to the Government of India is delayed owing to their being unaccompanied by English translations, and as Local Governments and Administrations have greater facilities for translating the vernaculars in use under their different provinces than the Government of India have, I am directed to request that in order to avoid inconvenience and delay, all vernacular petitions transmitted by a Local Government and Administration to the Government of India may invariably be accompanied by an English translation."

2. "It should, however, be clearly understood that it is not the intention of the Governor-General in Council that any petition presented for transmission to the Government of India or the Secretary of State should be refused by reason of its being in the vernacular or because it is unaccompanied by a translation. The great majority of the population do not know English, and cannot obtain the services of an English petition-writer; and it is most undesirable that in a country like India the free right of petition should be curtailed. But as the languages of India are many and diverse, it is desirable that any vernacular petition or memorial forwarded to supreme authority by or through a Local Government should be accompanied by an English translation."—[Home Department No. 54—2086-95 (Public), dated 21st November 1878.]

unless the case is one of which the Local Government is competent to dispose on its own responsibility under the orders contained in the Resolution of the Government of India in the Home Department, No. $\frac{7}{1161\text{-}72}$, dated the 15th August 1890.

(7)*When a memorial is an appeal against an order of a Local Government regarding the dismissal, removal, reduction, or other punishment of a Government servant or an employé of a local authority whose salary was not more than ₹100 a month; or when it is an appeal against a similar order of a Local Government confirmed by the Government of India, from a Government servant or an employé of a local authority whose salary was not more than ₹250 a month.

NOTE.—The first sentence in this clause applies to the orders of the Government of India as well as to those of Local Governments.

(8) When a memorial is an appeal against a decision, which by any law or rule having the force of law, is declared to be final.

(9) When a memorial is addressed by an officer still in the public service and has reference to his prospective claim to pension.

(10) When a memorial is a mere appeal against the non-exercise by one of the Governments in India of a discretion vested in such Government by law or rule.

(11) When a memorial is an appeal against the action of a private individual or of a body of private individuals, regarding the private relations of the memorialist and such individual or body.

(12) When a memorial is an appeal against orders refusing the grant of a pension to an inferior servant who is not eligible for such grant under the pension rules.

XIII.—The Government of India may withhold the transmission of a memorial to His Majesty or to the Secretary of State for India unless the memorialist has previously memorialised the Government of India and the Local Government concerned on the same subject: provided that, when the memorial is one for pardon which no authority in India has power to grant, it should be addressed to His Majesty and forwarded to the Secretary of State for India.

XIV.—When a memorial is withheld, the memorialist should be informed of the fact and of the reason for it.

XV.—A list of memorials withheld under the discretionary power conferred by rule XIII., with the reasons for withholding them, will be forwarded quarterly to the Government of India in the case of memorials withheld by Local Governments under the same discretionary power, and by the Government of India in the department concerned to the Secretary of State for India.

* "The Governor-General in Council considers that the discretionary power of withholding petitions under clause 8, rule XIII. (since renumbered clause 7, rule XII.), of the rules for the submission, receipt, and transmission of memorials and other papers of the same class addressed to His Majesty the King, Emperor of India, or to the Right Hon'ble the Secretary of State for India, by private persons or by officers of all civil departments should be used with caution, and only after full consideration of the facts in each case. Having regard to the constitution and character of the Indian subordinate services, dismissal of Government officials often involves serious distress, if not actual ruin, to them, and it is right that, under such circumstances, every opportunity should be allowed to them of making themselves heard. Further, when, as sometimes happens, their representations reach the Secretary of State through non-official channels, it is convenient that he should be in a position at once to deal with them, instead of being obliged, as may now be the case, to refer for information to this country. Such petitions, therefore, should not be withheld when there is any reasonable prospect of difference of opinion as to the order passed on them by the Government of India, or when they contain anything to which the attention of the Secretary of State is likely to be especially directed."—Home Department Resolution No. 1,438 (Public), dated 24th September 1880.

RETURN.

Years.	Number of Appeals submitted for the consideration of the Secretary of State in Council.	Number of Memorials† withheld by the Government of India.	Years.	Number of Appeals submitted for the consideration of the Secretary of State in Council.	Number of Memorials† withheld by the Government of India.
1893 - -	719*	48	1899 - -	45	100
1894 - -	72	46	1900 - -	40	136
1895 - -	87	36	1901 - -	120	135
1896 - -	39	62	1902 - -	40	148
1897 - -	60	45	1903 - -	39	141
1898 - -	30	102	1904 - -	23	140
Totals -	1,007	339	Totals -	307	800

* This number includes memorials from 641 persons relating to losses caused by the depreciation of silver.

† The figures for the years 1893 to 1900 are incomplete. The full figures cannot be given from the returns in the India Office.

EAST INDIA (APPEALS).

RETURN of RULES as last revised, governing the submission of APPEALS to the GOVERNMENT of INDIA from the orders of subordinate authorities, and to the Secretary of State in Council from the orders of the Government of India and the Governments of Madras and Bombay:

And, also of the number of such APPEALS submitted for the consideration of the Secretary of State in Council during the six years ending the 31st day of December 1904, giving the number in each year separately, and showing how many were forwarded to the Secretary of State for orders and how many were withheld in India, and how these statistics compared with the corresponding figures for the six years ending the 31st day of December 1898.

(*Sir Muncherjee Bhownaggree.*)

Ordered, by The House of Commons, *to be Printed*,
19 *April* 1905.

[*Price* 1½*d.*]

134.

EAST INDIA (ESTIMATE).

ESTIMATE

OF

REVENUE AND EXPENDITURE

OF THE

GOVERNMENT OF INDIA,

For the Year 1904-05,

COMPARED WITH THE RESULTS OF 1903-04.

India Office,
11 May 1905.

ARTHUR GODLEY,
Under Secretary of State for India.

(Presented pursuant to the Government of India Act, 1858, Sec. 53.)

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY.

Ordered, by The House of Commons, *to be Printed,*
11 *May* 1905.

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159.

No. 1.—ABSTRACT ACCOUNT showing the ESTIMATED REVENUE

HEADS OF REVENUE.	ACCOUNTS, 1903-04.	ESTIMATE,* 1904-05.
	£.	£.
PRINCIPAL HEADS OF REVENUE:		
Land Revenue	19,234,388	18,962,900
Opium	5,736,045	6,044,000
Salt	5,250,465	5,351,700
Stamps	3,580,247	3,743,000
Excise	4,980,096	5,302,000
Provincial Rates	2,825,349	2,825,000
Customs	3,966,298	4,361,400
Assessed Taxes	1,214,665	1,255,800
Forest	1,481,116	1,561,000
Registration	326,902	339,700
Tributes from Native States	609,086	635,700
TOTAL £.	49,204,657	50,382,200
INTEREST £.	896,062	870,171
POST OFFICE £.	1,507,153	1,590,700
TELEGRAPH £.	857,635	885,935
MINT £.	2,884,766	197,046
RECEIPTS BY CIVIL DEPARTMENTS:		
Law and Justice:		
Courts	258,166	260,600
Jails	240,612	238,500
Police	323,060	326,900
Marine	391,290	367,300
Education	186,236	193,200
Medical	86,486	80,905
Scientific and other Minor Departments	111,495	92,117
TOTAL £.	1,597,345	1,559,522
MISCELLANEOUS:		
Receipts in aid of Superannuation, &c.	199,159	187,948
Stationery and Printing	71,357	71,500
Exchange	58,429	99,100
Miscellaneous	365,032	323,784
TOTAL £.	693,977	682,332
RAILWAYS:		
State Railways (Gross Receipts)	20,576,591	22,854,930
Guaranteed Companies (Net Traffic Receipts)	941,463	1,093,600
Subsidized Companies (Repayment of Advances of Interest, &c.)	39,812	48,725
TOTAL £.	21,557,866	23,997,255
IRRIGATION:		
Major Works:		
Direct Receipts	1,920,030	1,983,500
Portion of Land Revenue due to Irrigation	837,139	860,300
Minor Works and Navigation	154,594	187,400
TOTAL £.	2,911,763	3,031,200
OTHER PUBLIC WORKS:		
Military Works	45,083	45,100
Civil Works	510,420	492,029
TOTAL £.	555,503	537,129
RECEIPTS BY MILITARY DEPARTMENT:		
Army:		
Effective	948,035	814,999
Non-effective	141,393	116,886
TOTAL £.	1,089,428	931,885
TOTAL REVENUE £.	83,756,155	84,665,375

* This Estimate contains, as regards the transactions in India, the figures adopted in the Financial Statement, and as regards those in England, the figures made up to 31st March, shown in the Home Accounts.

and EXPENDITURE for 1904–05, compared with the RESULTS of 1903–04.

HEADS OF EXPENDITURE.	ACCOUNTS, 1903–04.	ESTIMATE,* 1904–05.
	£.	£.
DIRECT DEMANDS ON THE REVENUES:		
Refunds and Drawbacks	261,380	225,800
Assignments and Compensations	1,168,246	1,197,500
Charges in respect of Collection, viz.:		
Land Revenue	3,048,884	3,192,875
Opium (including cost of Production)	2,225,744	1,971,610
Salt (including cost of Production)	331,191	345,218
Stamps	122,379	120,863
Excise	213,928	242,341
Provincial Rates	39,212	38,100
Customs	168,165	181,448
Assessed Taxes	23,208	22,500
Forest	813,618	875,814
Registration	177,800	181,000
TOTAL £.	8,593,755	8,595,069
INTEREST:		
Interest on Debt	7,127,899	7,290,611
Deduct,—Amounts chargeable to Railways	*4,857,462*	*5,083,546*
„ Amounts chargeable to Irrigation	*994,235*	*1,015,900*
Remainder chargeable on Ordinary Debt	1,276,202	1,191,165
Interest on other Obligations	421,425	447,300
TOTAL £.	1,697,627	1,638,465
POST OFFICE £.	1,403,224	1,516,634
TELEGRAPH £.	916,824	890,498
MINT £.	2,785,585	121,859
SALARIES AND EXPENSES OF CIVIL DEPARTMENTS:		
General Administration	1,493,345	1,470,116
Law and Justice:		
Courts	2,276,666	2,331,599
Jails	713,113	700,700
Police	3,087,309	3,152,322
Marine (including River Navigation)	726,676	796,019
Education	1,367,522	1,473,664
Ecclesiastical	113,741	120,190
Medical	948,296	1,002,859
Political	702,570	804,103
Scientific and other Minor Departments	549,994	524,091
TOTAL £.	11,979,232	12,375,663
MISCELLANEOUS CIVIL CHARGES:		
Territorial and Political Pensions	257,469	254,972
Civil Furlough and Absentee Allowances	238,588	218,945
Superannuation Allowances and Pensions	2,856,159	2,906,380
Stationery and Printing	549,664	586,102
Miscellaneous	447,765	312,408
TOTAL £.	4,349,645	4,278,807
FAMINE RELIEF AND INSURANCE:		
Famine Relief	20,351	8,800
Construction of Protective Railways	96,605	121,891
Construction of Protective Irrigation Works	144,446	217,900
Reduction or Avoidance of Debt	644,278	643,100
TOTAL £.	905,680	991,691
RAILWAY REVENUE ACCOUNT:		
State Railways:—Working Expenses	10,378,158	11,086,500
Interest on Debt	4,441,781	4,627,639
Annuities in purchase of Railways	3,004,620	3,009,284
Interest chargeable against Companies on Advances	415,681	455,907
Interest on Capital deposited by Companies	1,222,001	1,268,272
Guaranteed Companies:—Surplus Profits, Land, and Supervision	102,066	121,400
Interest	1,048,017	1,063,643
Subsidized Companies:—Land, &c.	30,499	59,200
Miscellaneous Railway Expenditure	54,374	50,900
TOTAL £.	20,697,197	21,742,745
IRRIGATION:		
Major Works:—Working Expenses	810,751	873,400
Interest on Debt	994,235	1,015,900
Minor Works and Navigation	875,021	921,798
TOTAL £.	2,680,007	2,811,098
OTHER PUBLIC WORKS:		
Military Works	1,034,654	982,941
Ditto Re-organisation	–	2,300
Civil Works	4,602,254	4,814,482
Construction of Railways charged to Provincial or Local Revenues	26,550	6,700
TOTAL £.	5,663,458	5,806,423
ARMY SERVICES:		
Army:—Effective	14,799,770	16,039,361
Non-effective	3,065,438	3,104,352
Re-organisation	–	1,177,872
TOTAL £.	17,865,208	20,321,585
SPECIAL DEFENCE WORKS:		
Special Defences (1902) £.	27,054	140,246
TOTAL EXPENDITURE (IMPERIAL AND PROVINCIAL) £.	79,564,496	81,230,783

	ACCOUNTS, 1903–04.	ESTIMATE 1904–05.		
	£.	£.		
Add,—Portion of Allotments to Provincial Governments not spent by them in the Year	1,381,770	623,400		
Deduct,—Portion of Provincial Expenditure defrayed from Provincial Balances	*186,511*	*647,500*	1,195,259	*–24,100*
TOTAL EXPENDITURE CHARGED TO REVENUE £.			80,759,755	81,206,683
RAILWAY AND IRRIGATION CAPITAL NOT CHARGED TO REVENUE:				
Capital Outlay on Railways and Irrigation Works:				
State Railways			4,535,105	6,106,893
Irrigation Works			507,898	401,759
TOTAL £.			* 5,043,003	6,508,652

	ACCOUNTS, 1903–04.	ESTIMATE, 1904–05.
	£.	£.
Revenue	83,756,155	84,665,375
Expenditure chargeable to Revenue	80,759,755	81,206,683
Surplus £.	2,996,400	3,458,692

No. 2.—ACCOUNT showing the ESTIMATED REVENUE (Imperial, Provincial, compared with the

HEADS OF REVENUE.	INDIA, GENERAL.		CENTRAL PROVINCES.		BERAR.		BURMA.		
	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	
PRINCIPAL HEADS OF REVENUE:	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Land Revenue	14,72,513	15,45,000	83,36,263	89,68,000	78,30,166	82,31,000	3,52,29,914	3,74,08,000	1
Opium	55	–	2,61,356	2,85,000	–	–	5,99,573	6,60,000	2
Salt	1,72,13,079	1,69,50,000	–	–	–	–	15,48,365	16,75,000	3
Stamps	3,46,149	3,65,000	14,50,521	15,60,000	8,48,375	9,05,000	29,43,305	33,00,000	4
Excise	11,91,060	12,63,000	25,60,265	31,00,000	19,94,331	24,20,000	74,64,332	75,50,000	5
Provincial Rates	1,65,141	1,22,000	11,31,937	12,76,000	6,46,505	7,15,000	17,59,423	18,40,000	6
Customs	12,739	16,000	1,32,387	1,45,000	16,984	19,000	1,31,65,521	1,43,00,000	7
Assessed Taxes	13,79,497	21,50,000	3,07,642	3,12,000	1,45,102	2,81,000	12,24,083	13,50,000	8
Forest	6,99,583	8,73,000	13,90,873	14,22,000	6,07,159	6,70,000	82,68,535	84,50,000	9
Registration	16,086	17,000	86,162	95,000	97,065	1,07,000	1,70,465	1,86,000	10
Tributes from Native States	21,85,769	19,18,000	1,91,400	2,76,000	–	–	4,79,926	5,23,000	11
TOTAL	2,46,81,671	2,52,19,000	1,58,98,806	1,74,39,000	1,21,85,687	1,33,48,000	7,28,53,442	7,72,42,000	12
INTEREST	50,76,525	55,11,000	1,49,432	80,000	21,991	23,000	47,255	45,000	13
POST OFFICE	2,25,35,076	2,38,04,000	14,609	15,000	28	–	63	–	14
TELEGRAPH	1,27,66,375	1,32,27,000	–	–	–	–	–	–	15
MINT	1,09,36,475	11,55,000	–	–	–	–	–	–	16
RECEIPTS BY CIVIL DEPARTMENTS:									
Law and Justice:									
Courts	1,79,469	1,76,000	1,23,625	1,28,000	39,086	49,000	5,03,053	4,90,000	17
Jails	3,20,901	3,24,000	1,50,288	1,55,000	30,274	23,000	4,11,024	3,80,000	18
Police	68,933	69,000	1,67,789	2,03,000	90,978	84,000	4,21,571	4,55,000	19
Marine	36,42,095	34,95,000	–	–	–	–	4,87,991	5,04,000	20
Education	26,697	30,000	54,530	53,000	75,223	80,000	61,257	73,000	21
Medical	15,760	9,000	23,768	25,000	2,303	2,000	52,007	62,000	22
Scientific and other Minor Departments	1,92,827	1,43,000	41,846	46,000	2,314	4,000	3,823	4,000	23
TOTAL	44,46,682	42,46,000	5,61,846	6,10,000	2,40,178	2,42,000	19,40,726	19,68,000	24
MISCELLANEOUS:									
Receipts in aid of Superannuation, &c.	4,40,560	3,78,000	67,478	63,000	34,151	28,000	1,15,479	1,15,000	25
Stationery and Printing	1,53,820	2,70,000	19,012	21,000	4,218	2,000	41,662	50,000	26
Exchange	8,76,433	14,87,000	–	–	–	–	–	–	27
Miscellaneous	4,62,117	5,10,000	2,34,654	1,36,000	1,90,056	1,50,000	6,89,391	9,06,000	28
TOTAL	19,32,930	26,45,000	3,21,144	2,20,000	2,28,425	1,80,000	8,46,532	10,71,000	29
RAILWAYS:									
State Railways (Gross Receipts)	9,31,86,062	10,22,22,000	1,71,48,896	2,03,40,000	–	–	1,41,06,869	1,50,00,000	30
Guaranteed Companies (Net Traffic Receipts)	1,41,21,946	1,64,05,000	–	–	–	–	–	–	31
Subsidized Companies (Repayment of Advances of Interest, &c.).	–	–	–	–	–	–	–	–	32
TOTAL	10,73,08,008	11,86,27,000	1,71,48,896	2,03,40,000	–	–	1,41,06,869	1,50,00,000	33
IRRIGATION:									
Major Works: Direct Receipts	–	–	–	–	–	–	79,048	2,05,000	34
Portion of Land Revenue due to Irrigation.	–	–	–	–	–	–	13,748	17,000	35
Minor Works and Navigation	56,726	79,000	476	1,000	–	–	1,18,950	1,35,000	36
TOTAL	56,726	79,000	476	1,000	–	–	2,11,746	3,57,000	37
OTHER PUBLIC WORKS:									
Military Works	5,46,870	5,56,000	2	–	–	–	96,345	95,000	38
Civil Works	1,09,857	94,000	1,19,419	1,45,000	26,774	20,000	6,50,661	5,40,000	39
TOTAL	6,56,727	6,50,000	1,19,421	1,45,000	26,774	20,000	7,47,006	6,35,000	40
RECEIPTS BY MILITARY DEPARTMENT:									
Army: Effective	59,31,136	50,98,000	–	–	–	–	–	–	41
Non-effective	7,29,406	7,64,000	–	–	–	–	–	–	42
TOTAL	66,60,542	58,62,000	–	–	–	–	–	–	43
TOTAL REVENUE	19,70,57,737	20,10,25,000	3,42,14,630	3,88,50,000	1,27,03,083	1,38,13,000	9,07,53,639	9,63,18,000	44

and Local) in each of the PROVINCES of *British India*, and in *England*, for 1904–05, RESULTS of 1903–04.

	ASSAM.		BENGAL.		UNITED PROVINCES OF AGRA AND OUDH.		CARRIED FORWARD.		HEADS OF REVENUE.
	1903–04.	1904–05.	1903–04.	1904–05.	1903–04.	1904–05.	1903–04.	1904–05.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	PRINCIPAL HEADS OF REVENUE:
1	54,43,025	64,22,000	4,10,03,080	4,10,00,000	6,32,57,642	6,30,49,000	16,26,22,603	16,66,23,000	Land Revenue.
2	4,53,671	4,73,000	7,09,80,798	7,70,14,000	5,46,359	5,60,000	7,28,41,812	7,89,92,000	Opium.
3	–	–	2,18,91,075	2,23,00,000	–	–	4,05,62,519	4,09,25,000	Salt.
4	9,87,443	10,10,000	1,98,35,514	2,03,00,000	82,52,191	85,50,000	3,46,63,498	3,64,90,000	Stamps.
5	30,24,404	31,20,000	1,62,95,944	1,67,00,000	94,58,526	1,01,00,000	4,19,88,862	4,42,53,000	Excise.
6	6,13,991	6,86,000	1,02,99,440	1,06,52,000	1,04,76,391	1,05,30,000	2,50,92,828	2,58,21,000	Provincial Rates.
7	–	–	1,71,41,973	1,98,00,000	76,450	78,000	3,05,46,054	3,43,58,000	Customs.
8	2,55,786	2,51,000	50,36,483	50,00,000	20,76,843	20,40,000	1,04,25,436	1,13,84,000	Assessed Taxes.
9	6,75,732	8,00,000	10,65,523	11,80,000	22,80,446	24,00,000	1,49,87,851	1,57,95,000	Forest.
10	69,590	72,000	16,66,453	17,00,000	4,55,563	4,55,000	25,61,384	26,32,000	Registration.
11	50,100	50,000	–	–	–	–	29,07,195	27,67,000	Tributes from Native States.
12	1,15,73,742	1,28,84,000	20,51,26,283	21,61,46,000	9,68,80,411	9,77,62,000	43,92,00,042	46,00,40,000	- - - TOTAL.
13	3,161	3,000	17,99,532	17,49,000	4,07,107	3,72,000	75,05,003	77,83,000	INTEREST.
14	–	–	10,290	13,000	–	–	2,25,60,066	2,38,32,000	POST OFFICE.
15	–	–	–	–	–	–	1,27,66,375	1,32,27,000	TELEGRAPH.
16	–	–	–	–	–	–	1,09,36,475	11,55,000	MINT.
									RECEIPTS BY CIVIL DEPARTMENTS:
									Law and Justice:
17	78,113	77,000	8,08,224	8,07,000	4,73,986	4,95,000	22,05,556	22,22,000	Courts.
18	59,790	72,000	14,15,485	13,50,000	3,53,712	3,54,000	27,41,474	26,58,000	Jails.
19	1,78,650	1,76,000	12,50,424	12,65,000	5,50,479	5,93,000	27,28,824	28,45,000	Police.
20	–	–	13,48,977	13,70,000	–	–	54,79,063	53,69,000	Marine.
21	68,173	75,000	7,89,760	7,85,000	5,23,565	5,36,000	15,99,205	16,32,000	Education.
22	9,964	11,000	2,96,290	2,96,000	2,64,131	2,80,000	6,64,223	6,85,000	Medical.
23	61,347	57,000	2,78,731	2,85,000	1,24,170	1,30,000	7,05,058	6,69,000	Scientific and other Minor Departments.
24	4,56,037	4,68,000	61,87,891	61,58,000	22,90,043	23,88,000	1,61,23,403	1,60,80,000	- - - TOTAL.
									MISCELLANEOUS:
25	27,803	26,000	2,74,713	2,58,000	1,83,860	1,87,000	11,44,044	10,55,000	Receipts in aid of Superannuation, &c.
26	4,356	5,000	2,76,109	2,05,000	2,34,353	2,05,000	7,33,530	7,58,000	Stationery and Printing.
27	–	–	–	–	–	–	8,76,433	14,87,000	Exchange.
28	45,209	36,000	13,85,128	12,24,000	3,08,943	2,98,000	33,15,498	32,60,000	Miscellaneous.
29	77,368	67,000	19,35,950	16,87,000	7,27,156	6,90,000	60,69,505	65,60,000	- - - TOTAL.
									RAILWAYS:
30	26,77,027	30,72,000	3,26,57,355	3,37,25,000	2,34,92,501	2,56,08,000	18,32,68,710	19,99,67,000	State Railways (Gross Receipts).
31	–	–	–	–	–	–	1,41,21,946	1,64,05,000	Guaranteed Companies (Net Traffic Receipts).
32	–	–	–	–	–	–	–	–	Subsidized Companies (Repayment of Advances of Interest, &c.).
33	26,77,027	30,72,000	3,26,57,355	3,37,25,000	2,34,92,501	2,56,08,000	19,73,90,656	21,63,72,000	- - - TOTAL.
									IRRIGATION:
34	–	–	20,20,889	20,00,000	80,55,330	83,48,000	1,01,55,267	1,05,53,000	Major Works: Direct Receipts.
35	–	–	–	–	14,13,358	14,14,000	14,27,106	14,31,000	Portion of Land Revenue due to Irrigation.
36	–	–	7,23,199	8,66,000	2,22,751	2,30,000	11,22,102	13,11,000	Minor Works and Navigation.
37	–	–	27,44,088	28,66,000	96,91,439	99,92,000	1,27,04,475	1,32,95,000	- - - TOTAL.
									OTHER PUBLIC WORKS:
38	5,331	6,000	4,157	2,000	6,356	1,000	6,59,061	6,60,000	Military Works.
39	2,15,278	2,13,000	14,14,628	12,63,000	9,68,489	9,28,000	35,05,106	32,03,000	Civil Works.
40	2,20,609	2,19,000	14,18,785	12,65,000	9,74,845	9,29,000	41,64,167	38,63,000	- - - TOTAL.
									RECEIPTS BY MILITARY DEPARTMENT:
41	–	–	–	–	–	–	59,31,136	50,98,000	Army: Effective.
42	–	–	–	–	–	–	7,29,406	7,64,000	Non-effective.
43	–	–	–	–	–	–	66,60,542	58,62,000	- - - TOTAL.
44	1,50,07,944	1,67,13,000	25,18,80,174	26,36,09,000	13,44,63,502	13,77,41,000	73,60,80,709	76,80,69,000	- - - TOTAL REVENUE.

No. 2.—ACCOUNT showing the Estimated Revenue (Imperial, Provincial, and Local) in each of the

HEADS OF REVENUE.	BROUGHT FORWARD.		PUNJAB.		N.W. FRONTIER PROVINCE.		MADRAS.		BOM-	
	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	
PRINCIPAL HEADS OF REVENUE:	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Land Revenue	16,26,22,603	16,66,23,000	2,33,32,178	2,46,04,000	17,74,609	19,72,000	5,32,32,857	4,91,08,000	4,75,53,569	1
Opium	7,28,41,812	7,89,92,000	73,763	60,000	9,197	8,000	–	–	1,31,15,903	2
Salt	4,05,62,519	4,09,25,000	–	–	–	–	1,95,35,805	1,93,50,000	1,86,58,649	3
Stamps	3,46,63,498	3,64,90,000	40,48,003	41,00,000	3,85,886	3,85,000	84,57,894	87,70,000	61,48,418	4
Excise	4,19,38,562	4,42,53,000	28,09,404	30,70,000	2,04,035	2,06,000	1,77,03,781	1,87,50,000	1,20,04,364	5
Provincial Rates	2,50,92,928	2,58,21,000	44,76,990	47,48,000	3,60,404	3,85,000	90,45,714	83,21,000	34,04,292	6
Customs	3,05,46,054	3,43,58,000	1,104	2,000	–	–	53,91,577	53,30,000	2,35,55,735	7
Assessed Taxes	1,04,25,436	1,13,84,000	13,02,006	11,90,000	1,00,934	1,13,000	25,82,733	25,20,000	38,08,867	8
Forest	1,49,87,851	1,57,95,000	17,17,797	18,60,000	1,01,833	95,000	26,57,727	28,25,000	27,51,539	9
Registration	25,61,384	26,32,000	2,19,180	2,40,000	30,115	29,000	15,38,492	16,00,000	5,54,365	10
Tributes from Native States	29,07,195	27,67,000	2,91,860	4,10,000	–	–	45,07,903	45,08,000	14,29,327	11
TOTAL	43,92,00,042	46,00,40,000	3,82,63,285	4,02,24,000	29,67,013	31,93,000	12,46,54,483	12,10,82,000	13,29,85,028	12
INTEREST	75,05,003	77,33,000	3,46,286	3,31,000	7,971	8,000	5,67,625	5,43,000	28,87,227	13
POST OFFICE	2,25,60,066	2,38,32,000	10,234	11,000	36,987	18,000	–	–	–	14
TELEGRAPH	1,27,66,375	1,32,27,000	–	–	–	–	–	–	–	15
MINT	1,09,36,475	11,55,000	–	–	–	–	–	–	3,23,34,279	16
RECEIPTS BY CIVIL DEPARTMENTS:										
Law and Justice:										
Courts	22,05,556	22,22,000	3,18,271	3,39,000	1,08,014	99,000	8,55,320	8,49,000	3,85,328	17
Jails	27,41,474	26,58,000	1,57,468	1,62,000	16,447	17,000	4,65,585	5,05,000	2,28,204	18
Police	27,28,824	28,45,000	7,05,340	7,20,000	97,111	91,000	6,19,736	5,07,000	6,94,891	19
Marine	54,79,063	53,69,000	–	–	–	–	17	–	75,267	20
Education	15,99,205	16,32,000	1,53,389	2,06,000	3,849	4,000	5,06,813	5,21,000	5,30,283	21
Medical	6,64,223	6,85,000	82,983	85,000	7,495	8,000	1,82,680	1,92,000	3,39,649	22
Scientific and other Minor Departments.	7,05,058	6,69,000	1,42,097	1,53,000	2,404	3,000	7,53,563	4,90,000	56,433	23
TOTAL	1,61,23,403	1,60,80,000	15,59,548	16,65,000	2,35,320	2,22,000	33,85,714	30,64,000	23,10,055	24
MISCELLANEOUS:										
Receipts in aid of Superannuation, &c	11,44,044	10,55,000	1,53,253	1,44,000	10,334	11,000	1,81,848	1,74,000	3,23,503	25
Stationary and Printing	7,33,530	7,58,000	1,52,146	1,29,000	8,353	9,000	1,05,926	98,000	70,398	26
Exchange	8,76,433	14,87,000	–	–	–	–	–	–	–	27
Miscellaneous	33,15,498	32,60,000	4,60,902	3,90,000	1,46,909	1,03,000	8,72,535	8,98,000	4,84,259	28
TOTAL	60,69,505	65,60,000	7,66,301	6,63,000	1,66,196	1,23,000	11,60,309	11,70,000	8,78,160	29
RAILWAYS:										
State Railways (Gross Receipts)	18,32,68,710	19,99,67,000	5,20,87,345	6,35,00,000	–	–	2,00,72,628	2,21,78,000	5,32,16,736	30
Guaranteed Companies (Net Traffic Receipts).	1,41,21,946	1,64,05,000	–	–	–	–	–	–	–	31
Subsidized Companies (Repayment of Advances of Interest, &c.).	–	–	–	–	–	–	4,88,845	5,83,000	–	32
TOTAL	19,73,90,656	21,63,72,000	5,20,87,345	6,35,00,000	–	–	2,05,61,473	2,27,61,000	5,32,16,736	33
IRRIGATION:										
Major Works: Direct Receipts	1,01,55,267	1,05,53,000	1,67,74,410	1,72,89,000	5,10,505	4,90,000	3,79,063	3,70,000	9,81,198	34
Portion of Land Revenue due to Irrigation.	14,27,106	14,31,000	18,19,290	17,76,000	55,240	50,000	73,96,400	73,31,000	18,59,054	35
Minor Works and Navigation	11,22,102	13,11,000	6,44,816	8,57,000	1,32,399	1,74,000	1,55,576	1,68,000	2,64,017	36
TOTAL	1,27,04,475	1,32,95,000	1,92,38,516	1,99,22,000	6,98,144	7,14,000	79,31,045	78,69,000	31,04,269	37
OTHER PUBLIC WORKS:										
Military Works	6,59,061	6,60,000	487	2,000	–	–	6,370	5,000	10,326	38
Civil Works	35,05,106	32,03,000	7,15,875	8,44,000	1,24,175	1,36,000	14,93,925	15,90,000	14,24,660	39
TOTAL	41,64,167	38,63,000	7,16,362	8,46,000	1,24,175	1,36,000	15,00,295	15,95,000	14,34,986	40
RECEIPTS BY MILITARY DEPARTMENT:										
Army: Effective	59,31,136	50,98,000	–	–	–	–	6,93,263	9,03,000	15,56,646	41
Non-effective	7,29,406	7,64,000	–	–	–	–	2,70,042	3,04,000	4,05,141	42
TOTAL	66,60,542	58,62,000	–	–	–	–	9,63,305	12,07,000	19,61,787	43
TOTAL REVENUE	73,60,80,709	76,80,69,000	11,29,87,877	12,71,62,000	42,35,806	44,14,000	16,07,24,249	15,92,91,000	25,14,12,527	44

Provinces of *British India*, and in *England*, for 1904-05, compared with the Results of 1903-04—*continued*.

	BAY.	TOTAL INDIA.				ENGLAND.		GRAND TOTAL.		
	1904-05	Rupees.		Rupees converted into £ at Rs. 15 = £1.		1903-04.	1904-05.	1903-04.	1904-05.	HEADS OF REVENUE.
		1903-04.	1904-05.	1903-04.	1904-05.					
	lks	Rs.	Rs.	£	£	£	£	£	£	PRINCIPAL HEADS OF REVENUE:
1	4,21,37,000	28,85,15,816	28,44,44,000	19,234,388	18,962,900	–	–	19,234,388	18,962,900	Land Revenue.
2	1,16,00,000	8,60,40,675	9,03,60,000	5,736,045	6,044,000	–	–	5,736,045	6,044,000	Opium.
3	2,00,00,000	7,87,56,973	8,02,75,000	5,250,465	5,351,700	–	–	5,250,465	5,351,700	Salt.
4	64,00,000	5,37,03,699	5,61,45,000	3,580,247	3,743,000	–	–	3,580,247	3,743,000	Stamps.
5	1,32,50,000	7,47,01,446	7,95,29,000	4,980,096	5,302,000	–	–	4,980,096	5,302,000	Excise.
6	31,00,000	4,23,80,228	4,23,75,000	2,825,349	2,825,000	–	–	2,825,349	2,825,000	Provincial Rates.
7	2,57,30,000	5,94,94,470	6,54,20,000	3,966,298	4,361,400	–	–	3,966,298	4,361,400	Customs.
8	36,30,000	1,82,19,976	1,88,37,000	1,214,665	1,255,800	–	–	1,214,665	1,255,800	Assessed Taxes.
9	29,00,000	2,22,16,747	2,34,15,000	1,481,116	1,561,000	–	–	1,481,116	1,561,000	Forest.
10	5,95,000	49,03,536	50,96,000	326,902	339,700	–	–	326,902	339,700	Registration.
11	18,51,000	91,36,285	95,36,000	609,086	635,700	–	–	609,086	635,700	Tributes from Native States.
12	13,11,93,000	73,80,69,851	75,57,32,000	49,204,657	50,382,200	–	–	49,204,657	50,382,200	- - - TOTAL.
13	19,80,000	1,13,14,112	1,06,45,000	754,274	709,700	141,788	160,471	896,062	870,171	INTEREST.
14	–	2,26,07,237	2,38,61,000	1,507,153	1,590,700	–	–	1,507,153	1,590,700	POST OFFICE.
15	–	1,27,66,375	1,32,27,000	851,092	881,800	6,543	4,135	857,635	885,935	TELEGRAPH.
16	18,00,000	4,32,70,754	29,55,000	2,884,717	197,000	49	46	2,884,766	197,046	MINT.
										RECEIPTS BY CIVIL DEPARTMENTS:
17	4,00,000	38,72,482	39,03,000	258,166	260,600	–	–	258,166	260,600	Law and Justice: Courts.
18	2,35,000	36,09,178	35,77,000	240,612	238,500	–	–	240,612	238,500	Jails.
19	7,40,000	48,45,902	49,03,000	323,060	326,900	–	–	323,060	326,900	Police.
20	80,000	55,54,347	54,49,000	370,290	363,300	21,000	4,000	391,290	367,300	Marine.
21	5,36,000	27,93,539	28,99,000	186,236	193,200	–	–	186,236	193,200	Education.
22	2,27,000	12,77,030	11,97,000	85,135	79,800	1,351	1,105	86,486	80,905	Medical.
23	58,000	16,61,555	13,73,000	110,770	91,500	725	617	111,495	92,117	Scientific and other Minor Departments.
24	22,76,000	2,36,14,040	2,33,07,000	1,574,269	1,553,800	23,076	5,722	1,597,345	1,559,522	- - - TOTAL.
										MISCELLANEOUS:
25	3,40,000	18,13,582	17,24,000	120,905	114,900	78,254	73,048	199,159	187,948	Receipts in aid of Superannuation, &c.
26	78,000	10,70,353	10,72,000	71,357	71,500	–	–	71,357	71,500	Stationery and Printing.
27	–	8,76,433	14,87,000	58,429	99,100	–	–	58,429	99,100	Exchange.
28	1,66,000	52,80,103	48,17,000	352,007	321,200	13,025	2,584	365,032	323,784	Miscellaneous.
29	5,84,000	90,40,471	91,00,000	602,698	606,700	91,279	75,632	693,977	682,332	- - TOTAL.
										RAILWAYS:
30	5,71,75,000	30,86,45,419	34,28,20,000	20,576,361	22,854,700	230	230	20,576,591	22,854,930	State Railways (Gross Receipts).
31	–	1,41,21,946	1,64,05,000	941,463	1,093,600	–	–	941,463	1,093,600	Guaranteed Companies (Net Traffic Receipts).
32	5,000	4,38,845	5,88,000	32,590	39,200	7,222	9,525	39,812	48,725	Subsidized Companies (Repayment of Advances of Interest, &c.).
33	5,71,80,000	32,32,56,210	35,98,13,000	21,550,414	23,987,500	7,452	9,755	21,557,866	23,997,255	- - - TOTAL.
										IRRIGATION:
34	10,50,000	2,88,00,449	2,97,52,000	1,920,030	1,983,500	–	–	1,920,030	1,983,500	Major Works: Direct Receipts.
35	23,17,000	1,25,57,090	1,29,05,000	837,139	860,300	–	–	837,139	860,300	Portion of Land Revenue due to Irrigation.
36	3,01,000	23,18,910	28,11,000	154,594	187,400	–	–	154,594	187,400	Minor Works and Navigation.
37	36,68,000	4,36,76,449	4,54,68,000	2,911,763	3,031,200	–	–	2,911,763	3,031,200	- - - TOTAL.
										OTHER PUBLIC WORKS:
38	10,000	6,75,241	6,77,000	45,083	45,100	–	–	45,083	45,100	Military Works.
39	12,13,000	72,65,741	69,86,000	484,249	465,800	26,171	26,229	510,420	492,029	Civil Works.
40	12,23,000	79,39,985	76,63,000	529,332	510,900	26,171	26,229	555,503	537,129	- - - TOTAL.
										RECEIPTS BY MILITARY DEPARTMENT:
41	13,01,000	81,81,045	73,02,000	545,403	486,800	402,632	328,199	948,035	814,999	Army: Effective.
42	2,84,000	14,04,589	13,52,000	93,639	90,100	47,754	26,786	141,393	116,886	Non-effective.
43	15,85,000	95,85,634	86,54,000	639,042	576,900	450,386	354,985	1,089,428	931,885	- - - TOTAL.
44	20,14,89,000	1,24,51,41,168	1,26,04,25,000	83,009,411	84,028,400	746,744	636,975	83,756,155	84,665,375	- - - TOTAL REVENUE.

No. 3.—ACCOUNT showing the ESTIMATED EXPENDITURE (Imperial, Provincial, compared with the

HEADS OF EXPENDITURE.	INDIA, GENERAL.		CENTRAL PROVINCES.		BERAR.		BURMA.		
	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	
DIRECT DEMANDS ON THE REVENUES:	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Refunds and Drawbacks	2,10,331	48,000	46,788	66,000	22,009	28,000	5,38,001	5,15,000	1
Assignments and Compensations	31,46,268	33,27,000	52,256	52,000	25,11,463	25,13,000	21	1,000	2
Charges in respect of Collection, viz.:									
Land Revenue	5,67,545	5,69,000	19,01,347	20,08,000	13,60,513	15,08,000	56,94,523	59,00,000	3
Opium (including cost of Production)	12,204	12,000	–	–	–	–	–	–	4
Salt (including cost of Production)	9,32,496	10,43,000	–	–	–	–	15,574	22,000	5
Stamps	*–7,65,611*	*–7,92,000*	58,806	74,000	28,751	51,000	86,361	1,00,000	6
Excise	27,116	34,000	51,352	56,000	22,452	22,000	7,01,455	10,17,000	7
Provincial Rates	–	–	–	–	–	–	77,924	80,000	8
Customs	–	–	–	–	–	–	3,55,843	3,93,000	9
Assessed Taxes	1,559	2,000	–	–	5,922	17,000	38,341	36,000	10
Forest	5,79,308	6,47,000	10,39,709	10,50,000	2,41,257	2,55,000	33,52,404	36,00,000	11
Registration	6,161	6,000	48,748	53,000	49,583	47,000	49,048	58,000	12
TOTAL	47,17,377	48,96,000	31,99,006	33,59,000	42,41,950	44,41,000	1,09,09,495	1,17,22,000	13
INTEREST:									
Interest on Debt	4,00,66,998	4,13,42,000	78,828	59,000	–	–	24,058	26,000	14
Deduct—Amounts chargeable to Railways (*a*)	*5,24,72,714*	*5,55,72,000*	–	–	–	–	–	–	15
" " " Irrigation	*1,49,13,519*	*1,52,38,000*	–	–	–	–	–	–	16
Remainder chargeable on Ordinary Debt	*–2,73,19,235*	*–2,94,68,000*	78,828	59,000	–	–	24,058	26,000	17
Interest on other Obligations	49,37,755	53,21,000	3,104	4,000	1,501	–	3,616	4,000	18
TOTAL	*–2,23,81,480*	*–2,41,47,000*	81,932	63,000	1,501	–	27,674	30,000	19
POST OFFICE	1,80,71,392	1,91,47,000	77,755	78,000	19,948	22,000	2,86,269	3,03,000	20
TELEGRAPH	1,00,98,716	1,04,65,000	–	–	–	–	–	–	21
MINT	1,06,25,569	9,17,000	–	–	–	–	–	–	22
SALARIES AND EXPENSES OF CIVIL DEPARTMENTS:									
General Administration	56,43,864	54,51,000	7,67,453	8,11,000	2,36,847	1,01,000	14,10,996	14,40,000	23
Law and Justice:									
Courts	3,53,245	3,90,000	11,88,022	12,24,000	3,00,737	3,04,000	30,28,185	32,00,000	24
Jails	16,83,191	15,00,000	4,43,412	4,80,000	78,760	81,000	10,75,757	10,27,000	25
Police	7,25,370	8,08,000	16,04,990	16,85,000	8,65,965	8,72,000	96,33,881	1,00,00,000	26
Marine (including River Navigation)	44,86,870	45,11,000	–	–	–	–	9,85,842	10,65,000	27
Education	2,80,424	3,05,000	8,91,434	9,70,000	3,79,747	3,90,000	11,76,328	13,55,000	28
Ecclesiastical	1,61,133	1,89,000	64,380	68,000	7,142	10,000	1,00,836	1,12,000	29
Medical	4,42,141	4,61,000	5,11,789	5,49,000	1,94,918	1,55,000	10,35,165	11,52,000	30
Political	54,00,058	69,92,000	44,657	47,000	–	–	4,01,484	4,15,000	31
Scientific and other Minor Departments	43,69,947	37,94,000	1,93,620	1,91,000	32,228	36,000	2,27,108	2,71,000	32
TOTAL	2,35,46,243	2,44,01,000	57,09,757	60,25,000	20,96,344	19,49,000	1,90,75,582	2,00,37,000	33
MISCELLANEOUS CIVIL CHARGES:									
Territorial and Political Pensions	1,58,395	1,67,000	2,26,614	2,17,000	27,995	6,000	1,26,670	1,26,000	34
Civil Furlough and Absentee Allowances	*–1,363*	3,000	–	–	–	–	–	–	35
Superannuation Allowances and Pensions	6,45,088	7,54,000	4,24,348	4,35,000	1,90,932	1,67,000	4,83,002	5,22,000	36
Stationery and Printing	*–21,95,369*	*–3,52,000*	2,29,866	2,47,000	42,230	32,000	7,06,396	7,13,000	37
Miscellaneous	4,91,284	4,09,000	13,80,258	3,06,000	66,639	70,000	7,34,010	6,29,000	38
TOTAL	*–9,01,965*	9,81,000	22,61,086	12,05,000	3,27,796	2,75,000	20,50,078	19,90,000	39
FAMINE RELIEF AND INSURANCE:									
Famine Relief	213	–	3,05,469	–	104	–	–	–	40
Construction of Protective Railways	–	–	–	–	–	–	–	–	41
Construction of Protective Irrigation Works	1,48,854	85,000	5,38,026	9,00,000	–	–	–	–	42
Reduction or Avoidance of Debt	96,64,163	96,47,000	–	–	–	–	–	–	43
TOTAL	98,13,230	97,32,000	8,43,495	9,00,000	104	–	–	–	44
Carried forward to page 12	5,35,89,082	4,63,92,000	1,21,73,031	1,16,30,000	66,87,643	66,87,000	3,23,49,098	3,40,82,000	45

	ACCOUNTS 1903-04.			
	India.	India converted into £ at Rs. 15 = £1.	England.	TOTAL.
(*a*) Included under the following Heads:—	Rs.	£	£	£
State Railways—Interest on Debt	4,95,20,758	3,301,384	1,140,397	4,441,781
Interest chargeable against Companies on Advances	29,51,956	196,797	218,884	415,681
TOTAL	5,24,72,714	3,498,181	1,359,281	4,857,462

and Local) in each of the PROVINCES of *British India*, and in *England*, for 1904–05, RESULTS of 1903–04.

	ASSAM.		BENGAL.		UNITED PROVINCES OF AGRA AND OUDH.		CARRIED FORWARD.		HEADS OF EXPENDITURE.
	1903–04.	1904–05.	1903–04.	1904–05.	1903–04.	1904–05.	1903–04.	1904–05.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	DIRECT DEMANDS ON THE REVENUES:
1	30,126	39,000	9,72,747	8,34,000	1,80,165	1,60,000	20,00,167	16,90,000	Refunds and Drawbacks.
2	70,890	52,000	2,79,372	2,85,000	3,13,435	3,30,000	63,74,205	65,60,000	Assignments and Compensations.
3	10,34,640	11,40,000	48,04,308	51,33,000	79,84,082	82,26,000	2,33,46,958	2,44,84,000	Charges in respect of Collection, viz.: Land Revenue.
4	–	–	3,32,95,347	2,95,00,000	–	–	3,33,07,551	2,95,12,000	Opium (including cost of Production).
5	–	–	3,07,300	2,98,000	–	–	12,55,370	13,63,000	Salt (including cost of Production).
6	43,049	45,000	7,39,998	7,12,000	2,33,886	2,50,000	4,25,240	4,40,000	Stamps.
7	19,747	37,000	8,13,558	8,20,000	1,06,214	93,000	17,41,894	20,79,000	Excise.
8	1,865	3,000	4,54,202	4,38,000	1,147	–	5,35,138	5,21,000	Provincial Rates.
9	–	–	9,77,774	10,52,000	–	–	13,33,617	14,45,000	Customs.
10	1,225	1,000	1,84,678	1,60,000	310	–	2,32,035	2,16,000	Assessed Taxes.
11	4,25,484	5,00,000	7,03,508	6,84,000	10,81,438	13,28,000	74,23,108	80,64,000	Forest.
12	39,235	39,000	9,60,366	9,65,000	2,30,435	2,31,000	13,83,576	13,99,000	Registration.
13	16,66,261	18,56,000	4,44,93,658	4,08,81,000	1,01,31,112	1,03,18,000	7,93,58,859	7,77,73,000	- - - TOTAL.
									INTEREST:
14	1,912	3,000	1,95,719	1,99,000	3,37,395	3,36,000	4,07,04,910	4,19,65,000	Interest on Debt.
15	–	–	–	–	–	–	*5,24,72,714*	*5,55,72,000*	*Deduct*—Amounts chargeable to Railways (*a*).
16	–	–	–	–	–	–	*1,49,13,519*	*1,52,38,000*	„ „ „ Irrigation.
17	1,912	3,000	1,95,719	1,99,000	3,37,395	3,36,000	*–2,66,81,323*	*–2,88,45,000*	Remainder chargeable on Ordinary Debt.
18	329	–	99,108	1,08,000	7,71,343	7,67,000	58,16,756	62,04,000	Interest on other Obligations.
19	2,241	3,000	2,94,827	3,07,000	11,08,738	11,03,000	*–2,08,64,567*	*–2,26,41,000*	- - - TOTAL.
20	51,225	44,000	3,59,439	3,70,000	1,91,479	1,89,000	1,90,57,507	2,01,53,000	POST OFFICE.
21	–	–	–	–	–	–	1,00,98,716	1,04,65,000	TELEGRAPH.
22	–	–	–	–	–	–	1,06,25,569	9,17,000	MINT.
									SALARIES AND EXPENSES OF CIVIL DEPARTMENTS:
23	3,92,919	3,72,000	25,11,222	25,85,000	18,64,877	18,28,000	1,28,28,178	1,25,88,000	General Administration.
24	6,89,097	7,40,000	96,48,518	98,50,000	54,71,725	55,30,000	2,06,79,529	2,12,38,000	Law and Justice:
25	1,88,154	1,96,000	27,33,193	27,30,000	14,37,363	14,55,000	76,39,830	74,69,000	Courts.
26	15,06,169	15,88,000	71,34,790	73,23,000	84,79,376	85,56,000	2,99,50,541	3,08,32,000	Jails.
27	84,673	1,10,000	10,72,861	18,10,000	–	–	66,30,246	74,96,000	Police.
28	5,93,241	6,75,000	52,61,418	54,00,000	29,56,247	32,65,000	1,15,38,839	1,23,60,000	Marine (including River Navigation).
29	18,944	17,000	2,00,826	2,14,000	2,46,248	2,47,000	7,99,509	8,57,000	Education.
30	4,48,268	4,58,000	25,62,947	26,50,000	16,72,896	16,43,000	68,68,174	70,68,000	Ecclesiastical.
31	1,60,659	82,000	46,792	71,000	1,14,980	1,20,000	61,68,630	77,27,000	Medical.
32	1,02,599	1,13,000	7,89,790	7,87,000	4,10,458	5,03,000	61,25,750	56,95,000	Political.
									Scientific and other Minor Departments.
33	41,84,723	43,51,000	3,19,62,407	3,34,20,000	2,26,54,170	2,31,47,000	10,92,29,226	11,33,30,000	- - - TOTAL.
									MISCELLANEOUS CIVIL CHARGES:
34	7,302	6,000	10,02,598	9,96,000	8,27,570	8,38,000	23,77,144	23,56,000	Territorial and Political Pensions.
35	2,486	–	141	1,000	2,014	–	3,278	4,000	Civil Furlough and Absentee Allowances.
36	1,37,364	1,40,000	26,65,493	27,90,000	24,38,597	25,35,000	69,84,824	73,43,000	Superannuation Allowances and Pensions.
37	1,10,487	1,20,000	34,75,438	18,22,000	8,69,739	8,40,000	32,38,787	34,22,000	Stationery and Printing.
38	1,16,554	1,32,000	4,31,528	4,41,000	1,88,912	1,95,000	34,09,185	21,82,000	Miscellaneous.
39	3,74,193	3,98,000	75,75,198	60,50,000	43,26,832	44,08,000	1,60,13,218	1,53,07,000	- - - TOTAL.
									FAMINE RELIEF AND INSURANCE:
40	–	–	–	–	–	–	3,05,786	–	Famine Relief.
41	–	–	–	–	–	–	–	–	Construction of Protective Railways.
42	–	–	3,27,082	4,54,000	1,57,120	8,50,000	11,71,082	22,89,000	Construction of Protective Irrigation Works.
43	–	–	–	–	–	–	96,64,163	96,47,000	Reduction or Avoidance of Debt.
44	–	–	3,27,082	4,54,000	1,57,120	8,50,000	1,11,41,031	1,19,36,000	- - - TOTAL.
45	62,78,643	66,52,000	8,50,12,611	8,14,82,000	3,85,69,451	4,03,15,000	23,46,59,559	22,72,40,000	- - - Carried forward to page 13.

ESTIMATE, 1904–05.				
India.	India converted into £ at Rs. 15 = £1.	England.	TOTAL.	
Rs.	£	£	£	(*a*) Included under the following Heads:—
5,22,93,000	3,486,200	1,141,439	4,627,639	State Railways—Interest on Debt.
32,79,000	218,600	237,307	455,907	Interest chargeable against Companies on Advances.
5,55,72,000	3,704,800	1,378,746	5,083,546	- - TOTAL.

No. 3.—ACCOUNT showing the Estimated Expenditure (Imperial, Provincial, and Local) in each of the

HEADS OF EXPENDITURE.	BROUGHT FORWARD.		PUNJAB.		N.W. FRONTIER PROVINCE.		MADRAS.		BOM-	
	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	
DIRECT DEMANDS ON THE REVENUES:	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Refunds and Drawbacks	20,00,167	16,90,000	1,34,296	1,09,000	18,883	18,000	3,67,507	3,50,000	13,99,850	1
Assignments and Compensations	63,74,205	65,60,000	1,20,622	2,60,000	22,521	24,000	11,91,653	11,70,000	98,14,683	2
Charges in respect of Collection, viz.:—										
Land Revenue	2,33,46,958	2,44,84,000	41,72,385	43,63,000	7,66,678	8,16,000	1,06,17,011	1,08,67,000	68,24,103	3
Opium (including cost of Production)	3,23,07,551	2,95,12,000	–	–	–	–	–	–	24,609	4
Salt (including cost of Production)	12,55,370	13,63,000	–	–	–	–	19,04,910	19,91,000	17,75,573	5
Stamps	4,25,240	4,40,000	1,67,348	1,70,000	17,367	23,000	3,56,622	3,60,000	2,35,796	6
Excise	17,41,894	20,79,000	58,248	64,000	7,780	8,000	9,96,980	9,96,000	4,03,527	7
Provincial Rates	5,35,138	5,21,000	–	–	–	–	–	–	53,035	8
Customs	13,33,617	14,45,000	–	–	–	–	2,73,862	2,72,000	9,13,071	9
Assessed Taxes	2,32,035	2,16,000	12,873	15,000	817	1,000	29,909	28,000	72,492	10
Forest	74,23,108	80,64,000	11,56,415	10,00,000	60,603	75,000	17,50,930	19,50,000	17,75,937	11
Registration	13,83,576	13,99,000	92,020	93,000	8,711	9,000	9,05,648	9,30,000	2,77,054	12
TOTAL	7,53,58,859	7,77,73,000	59,14,207	60,74,000	9,03,360	9,74,000	1,83,95,032	1,89,14,000	2,35,69,730	13
INTEREST:										
Interest on Debt	4,07,04,910	4,19,65,000	2,26,148	2,29,000	–	–	1,82,101	1,82,000	6,62,933	14
Deduct—Amounts chargeable to Railways	*5,24,72,714*	*5,55,73,000*	–	–	–	–	–	–	–	15
" " " Irrigation	*1,49,13,519*	*1,52,38,000*	–	–	–	–	–	–	–	16
Remainder chargeable on Ordinary Debt	*—2,66,81,323*	*—2,88,45,000*	2,26,148	2,29,000	–	–	1,82,101	1,82,000	6,62,933	17
Interest on other Obligations	58,16,756	62,04,000	2,09,167	2,26,000	–	–	21,857	23,000	2,73,552	18
TOTAL	*—2,08,64,567*	*—2,26,41,000*	4,35,315	4,55,000	–	–	2,03,958	2,05,000	9,36,485	19
POST OFFICE	1,90,57,507	2,01,53,000	1,55,465	1,59,000	55,958	39,000	1,06,530	–	1,02,498	20
TELEGRAPH	1,00,98,716	1,04,65,000	–	–	–	–	–	–	–	21
MINT	1,06,25,569	9,17,000	–	–	–	–	–	–	3,10,36,762	22
SALARIES AND EXPENSES OF CIVIL DEPARTMENTS:										
General Administration	1,28,28,178	1,25,88,000	12,69,228	13,74,000	2,58,741	2,70,000	17,00,499	16,74,000	21,49,493	23
Law and Justice:										
Courts	2,06,79,529	2,12,38,000	33,61,686	34,09,000	4,82,952	4,99,000	48,73,030	49,50,000	47,41,120	24
Jails	76,39,830	74,69,000	9,76,329	9,56,000	99,827	95,000	12,17,431	12,15,000	7,62,041	25
Police	2,99,50,541	3,08,32,000	37,56,241	37,96,000	10,55,937	10,45,000	49,95,305	50,75,000	65,37,102	26
Marine (including River Navigation)	66,30,246	74,96,000	–	–	–	–	16,203	16,000	35,963	27
Education	1,15,38,839	1,23,60,000	17,18,362	17,79,000	89,023	1,06,000	34,45,502	35,84,000	36,65,484	28
Ecclesiastical	7,99,509	8,57,000	2,04,163	2,40,000	38,242	40,000	3,02,125	3,25,000	3,48,030	29
Medical	68,68,174	70,68,000	14,97,059	15,46,000	1,09,794	1,12,000	34,67,487	39,04,000	21,93,617	30
Political	61,68,630	77,27,000	7,63,701	6,95,000	23,27,183	25,09,000	95,603	1,11,000	11,07,056	31
Scientific and other Minor Departments	61,25,750	56,95,000	4,06,956	4,25,000	19,781	18,000	8,33,295	8,06,000	3,46,272	32
TOTAL	10,92,29,226	11,33,30,000	1,39,53,725	1,42,20,000	44,81,480	46,94,000	2,09,46,480	2,16,60,000	2,18,86,178	33
MISCELLANEOUS CIVIL CHARGES:										
Territorial and Political Pensions	23,77,144	23,56,000	1,84,109	1,85,000	59,802	62,000	5,17,356	4,73,000	5,60,976	34
Civil Furlough and Absentee Allowances	3,278	4,000	70	–	–	–	764	1,000	159	35
Superannuation Allowances and Pensions	69,84,824	73,43,000	13,36,265	14,25,000	1,18,403	1,14,000	19,12,597	20,17,000	23,14,472	36
Stationery and Printing	32,38,787	34,22,000	5,28,139	5,20,000	69,540	69,000	15,14,668	16,31,000	15,45,827	37
Miscellaneous	34,09,185	21,82,000	2,18,248	3,30,000	67,242	35,000	7,57,539	6,92,000	13,27,913	38
TOTAL	1,60,13,218	1,53,07,000	29,66,831	24,60,000	3,14,987	2,80,000	47,02,924	48,14,000	57,49,347	39
FAMINE RELIEF AND INSURANCE:										
Famine Relief	3,05,786	–	*—2,160*	–	–	–	–	–	1,638	40
Construction of Protective Railways	–	–	–	–	–	–	11,22,834	15,48,000	–	41
Construction of Protective Irrigation Works	11,71,082	22,89,000	–	–	2,823	3,000	6,39,247	5,94,000	3,45,693	42
Reduction or Avoidance of Debt	96,64,163	96,47,000	–	–	–	–	–	–	–	43
TOTAL	1,11,41,031	1,19,36,000	*—2,160*	–	2,823	3,000	17,62,081	21,42,000	3,47,331	44
Carried forward to page 14	23,46,59,559	22,72,40,000	2,34,23,383	2,33,68,000	57,58,608	59,90,000	4,61,17,005	4,77,35,000	8,36,28,331	45

Provinces of *British India*, and in *England*, for 1904-05, compared with the Results of 1903-04—*continued*.

	BAY.	TOTAL INDIA.				ENGLAND.		GRAND TOTAL.		
	1904-05.	Rupees.		Rupees converted into £ at Rs. 15 = £1.		1903-04.	1904-05.	1903-04.	1904-05.	HEADS OF EXPENDITURE.
		1903-04.	1904-05.	1903-04.	1904-05.					
	Rs.	Rs.	Rs.	£	£	£	£	£	£	DIRECT DEMANDS ON THE REVENUES:
1	12,20,000	39,20,703	33,87,000	261,380	225,800	–	–	261,380	225,800	Refunds and Drawbacks.
2	99,49,000	1,75,23,684	1,79,63,000	1,168,246	1,197,500	–	–	1,168,246	1,197,500	Assignments and Compensations.
										Charges in respect of Collection, viz.:—
3	73,50,000	4,57,27,135	4,78,80,000	3,048,476	3,192,000	408	875	3,048,884	3,192,875	Land Revenue.
4	27,000	3,33,32,160	2,95,39,000	2,222,144	1,969,300	3,600	2,310	2,225,744	1,971,610	Opium (including cost of Production).
5	18,10,000	49,35,853	51,64,000	329,057	344,300	2,134	918	331,191	345,218	Salt (including cost of Production).
6	2,38,000	12,02,373	12,31,000	80,158	82,100	42,221	38,763	122,379	120,863	Stamps.
7	4,75,000	32,08,429	36,22,000	213,895	241,500	33	841	213,928	242,341	Excise.
8	51,000	5,88,173	5,72,000	39,212	38,100	–	–	39,212	38,100	Provincial Rates.
9	10,00,000	25,20,550	27,17,000	168,037	181,100	128	348	168,165	181,448	Customs.
10	78,000	3,48,126	3,38,000	23,208	22,500	–	–	23,208	22,500	Assessed Taxes.
11	19,79,000	1,21,66,993	1,30,68,000	811,133	871,200	2,485	4,614	813,618	875,814	Forest.
12	2,84,000	26,67,009	27,15,000	177,800	181,000	–	–	177,800	181,000	Registration.
13	3,44,61,000	12,81,41,188	12,81,96,000	8,542,746	8,546,400	51,009	48,669	8,593,755	8,595,069	- - - TOTAL.
										INTEREST:
14	6,24,000	4,17,76,092	4,30,00,000	2,785,073	2,866,700	4,342,826	4,423,911	7,127,899	7,290,611	Interest on Debt.
15	–	*5,24,72,714*	*5,55,72,000*	*3,498,181*	*3,704,800*	*1,359,281*	*1,378,746*	*4,857,462*	*5,083,546*	*Deduct*—Amounts chargeable to Railways.
16	–	*1,49,13,519*	*1,52,38,000*	*994,235*	*1,015,900*	–	–	*994,235*	*1,015,900*	„ „ „ Irrigation.
17	6,24,000	*–2,56,10,141*	*–2,78,10,000*	*–1,707,343*	*–1,854,000*	2,983,545	3,045,165	1,276,202	1,191,165	Remainder chargeable on Ordinary Debt.
18	2,56,000	63,21,332	67,09,000	421,422	447,300	3	–	421,425	447,300	Interest on other Obligations.
19	3,80,000	*–1,92,88,809*	*–2,11,01,000*	*–1,285,921*	*–1,406,700*	2,983,548	3,045,165	1,697,627	1,638,465	- - - TOTAL.
20	1,03,000	1,94,77,958	2,04,54,000	1,298,530	1,363,600	104,694	153,034	1,403,224	1,516,634	POST OFFICE.
21	–	1,00,98,716	1,04,65,000	673,248	697,700	243,576	192,798	916,824	890,498	TELEGRAPH.
22	6,95,000	4,16,62,331	16,12,000	2,777,489	107,500	8,096	14,359	2,785,585	121,859	MINT.
										SALARIES AND EXPENSES OF CIVIL DEPARTMENTS:
23	20,62,000	1,82,06,139	1,79,68,000	1,213,743	1,197,900	279,602	272,216	1,493,345	1,470,116	General Administration.
24	48,70,000	3,41,38,317	3,49,66,000	2,275,888	2,331,100	778	1499	2,276,666	2,331,599	Law and Justice: Courts.
25	7,75,000	1,06,95,458	1,05,10,000	713,030	700,700	83	–	713,113	700,700	Jails.
26	65,28,000	4,62,95,126	4,72,76,000	3,086,342	3,151,700	967	622	3,087,309	3,152,322	Police.
27	40,000	66,82,412	75,52,000	445,494	503,500	281,182	292,519	726,676	796,019	Marine (including River Navigation).
28	42,00,000	2,04,57,210	2,20,29,000	1,363,814	1,468,600	3,708	5,064	1,367,522	1,473,664	Education.
29	3,35,000	16,92,069	17,97,000	112,805	119,800	936	390	113,741	120,190	Ecclesiastical.
30	23,21,000	1,41,36,131	1,49,51,000	942,409	996,700	5,887	6,159	948,296	1,002,859	Medical.
31	9,65,000	1,04,62,173	1,20,07,000	697,478	800,400	5,092	3,703	702,570	804,103	Political.
32	3,94,000	77,32,054	73,38,000	515,470	489,200	34,524	34,891	549,994	524,091	Scientific and other Minor Departments.
33	2,24,90,000	17,04,97,089	17,63,94,000	11,366,473	11,759,600	612,759	616,063	11,979,232	12,375,663	- - - TOTAL.
										MISCELLANEOUS CIVIL CHARGES:
34	5,89,000	36,99,387	36,65,000	246,626	244,300	10,843	10,672	257,469	254,972	Territorial and Political Pensions.
35	1,000	4,271	6,000	285	400	238,303	218,545	238,588	218,945	Civil Furlough and Absentee Allowances.
36	23,99,000	1,26,66,561	1,32,98,000	844,437	886,500	2,011,722	2,019,880	2,856,159	2,906,380	Superannuation Allowances and Pensions.
37	16,08,000	68,96,961	72,50,000	459,798	483,300	89,866	102,802	549,664	586,102	Stationery and Printing.
38	4,58,000	64,80,127	36,97,000	432,008	246,500	15,757	65,908	447,765	312,408	Miscellaneous.
39	50,55,000	2,97,47,307	2,79,16,000	1,983,154	1,861,000	2,366,491	2,417,807	4,349,645	4,278,807	- - - TOTAL.
										FAMINE RELIEF AND INSURANCE:
40	1,32,000	3,05,264	1,32,000	20,351	8,800	–	–	20,351	8,800	Famine Relief.
41	–	11,22,834	15,48,000	74,855	103,200	21,750	18,691	96,605	121,891	Construction of Protective Railways.
42	3,82,000	21,58,845	32,68,000	143,923	217,900	523	–	144,446	217,900	Construction of Protective Irrigation Works.
43	–	96,64,163	96,47,000	644,278	643,100	–	–	644,278	643,100	Reduction or Avoidance of Debt.
44	5,14,000	1,32,51,106	1,45,95,000	883,407	973,000	22,273	18,691	(*b*) 905,680	991,691	- - - TOTAL.
45	5,41,98,000	39,35,86,886	35,85,31,000	26,239,126	23,902,100	6,392,446	6,506,586	32,631,572	30,408,686	- - - Carried forward to page 15.

(*b*) £94,320, representing the net charge on the Revenues in 1903-04, on account of Protective Railways constructed through the agency of Companies, is also chargeable to the grant for Famine Relief and Insurance, although included in the Railway Revenue Account. This charge will no longer be taken against this grant.

No. 3.—ACCOUNT showing the Estimated Expenditure (Imperial, Provincial, and Local) in each of the

HEADS OF EXPENDITURE.	INDIA, GENERAL.		CENTRAL PROVINCES.		BERAR.		BURMA.		
	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Brought forward from page 8	5,35,89,082	4,63,92,000	1,21,73,031	1,16,30,000	66,87,643	66,87,000	3,23,49,098	3,40,82,000	1
RAILWAY REVENUE ACCOUNT:									
State Railways:									
Working Expenses	3,75,56,356	3,87,17,000	90,03,282	98,75,000	–	–	89,17,418	93,00,000	2
Interest on Debt	4,95,20,758	5,22,93,000	–	–	–	–	–	–	3
Annuities in purchase of Railways	–	–	–	–	–	–	–	–	4
Interest chargeable against Companies on Advances.	–	–	24,91,517	27,78,000	–	–	–	–	5
Interest on Capital deposited by Companies	–	–	79,529	1,00,000	–	–	35,489	93,000	6
Guaranteed Companies:									
Surplus Profits, Land, and Supervision	4,66,856	8,10,000	–	–	–	–	79,853	80,000	7
Interest	2,28,672	2,78,000	–	–	–	–	–	–	8
Subsidized Companies:									
Land, &c.	–	–	–	–	–	–	–	–	9
Miscellaneous Railway Expenditure	3,52,217	3,09,000	1,26,001	1,46,000	–	–	85,255	1,20,000	10
TOTAL	8,81,24,859	9,24,07,000	1,17,00,329	1,28,99,000	–	–	91,18,015	95,93,000	11
IRRIGATION:									
Major Works:									
Working Expenses	–	–	–	–	–	–	92,027	90,000	12
Interest on Debt	91,86,052	94,56,000	–	–	–	–	–	–	13
Minor Works and Navigation	2,01,396	1,41,000	2,75,169	3,00,000	–	–	15,75,283	16,62,000	14
TOTAL	93,87,448	95,97,000	2,75,169	3,00,000	–	–	16,67,310	17,52,000	15
OTHER PUBLIC WORKS:									
Military Works	1,35,08,771	1,26,67,000	12,621	14,000	2,442	5,000	6,47,927	5,96,000	16
Ditto Re-organisation	–	34,000	–	–	–	–	–	–	17
Civil Works	19,73,265	23,70,000	30,26,480	36,44,000	8,82,672	9,60,000	1,08,96,049	1,11,40,000	18
Construction of Railways charged to Provincial or Local Revenues.	–	–	–	–	–	–	–	–	19
TOTAL	1,54,82,036	1,50,71,000	30,39,101	36,58,000	8,85,114	9,65,000	1,15,43,976	1,17,36,000	20
ARMY SERVICES:									
Army:									
Effective	11,00,93,047	11,90,98,000	–	–	–	–	–	–	21
Non-effective	54,13,653	53,45,000	–	–	–	–	–	–	22
Re-organisation	–	35,22,000	–	–	–	–	–	–	23
TOTAL	11,55,06,700	12,79,65,000	–	–	–	–	–	–	24
SPECIAL DEFENCE WORKS:									
Special Defences (1902)	3,25,395	7,18,000	–	–	–	–	–	–	25
TOTAL EXPENDITURE, IMPERIAL AND PROVINCIAL	28,24,15,520	29,21,50,000	2,71,37,630	2,84,87,000	75,72,757	76,52,000	5,46,78,399	5,71,63,000	26
Add,—Portion of Allotments to Provincial Governments not spent by them in the year.	167	–	–	–	85,066	90,000	–	–	27
Deduct,—Portion of Provincial Expenditure defrayed from Provincial Balances.	–	*22,000*	*8,81,819*	*6,72,000*	–	–	*19,15,852*	*19,70,000*	28
TOTAL EXPENDITURE CHARGED TO REVENUE	28,24,15,687	29,21,28,000	2,63,05,811	2,78,15,000	76,57,823	77,42,000	5,27,62,547	5,51,93,000	29
RAILWAY AND IRRIGATION CAPITAL NOT CHARGED TO REVENUE:									
Capital Outlay on Railways and Irrigation Works:									
State Railways	1,64,89,425	2,06,75,000	*–65,968*	*–68,000*	–	–	–	13,50,000	30
Irrigation Works	–	–	–	–	–	–	13,36,688	12,30,000	31
TOTAL	1,64,89,425	2,06,75,000	*–65,968*	*–68,000*	–	–	13,36,688	25,80,000	32

Provinces of *British India*, and in *England*, for 1904-05, compared with the Results of 1903-04—*continued*.

	Assam.		Bengal.		United Provinces of Agra and Oudh.		Carried Forward.		Heads of Expenditure.
	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	62,78,643	66,52,000	8,50,12,611	8,14,82,000	3,85,69,451	4,03,15,000	23,46,59,559	22,72,40,000	- - - Brought forward from page 9.
									Railway Revenue Account:
									State Railways:
2	21,61,529	30,33,000	2,00,59,450	2,08,50,000	1,18,16,002	1,28,39,000	8,95,14,037	9,46,14,000	Working Expenses.
3	-	-	-	-	-	-	4,95,20,758	5,22,93,000	Interest on Debt.
4	-	-	-	-	-	-	-	-	Annuities in purchase of Railways.
5	-	-	9,330	10,000	4,14,067	4,29,000	29,14,914	32,17,000	Interest chargeable against Companies on Advances.
6	-	-	88,185	25,000	1,79,387	1,98,000	3,82,590	4,16,000	Interest on Capital deposited by Companies.
									Guaranteed Companies:
7	66,866	60,000	1,79,501	1,94,000	1,28,964	1,33,000	9,22,040	12,77,000	Surplus Profits, Land, and Supervision.
8	-	-	-	-	-	-	2,28,672	2,78,000	Interest.
									Subsidized Companies:
9	2,226	-	3,07,764	3,01,000	14,894	2,39,000	3,24,884	5,40,000	Land, &c.
10	5,567	7,000	96,715	*-6,000*	48,122	18,000	7,13,877	5,94,000	Miscellaneous Railway Expenditure.
11	22,36,188	31,00,000	2,07,40,945	2,13,74,000	1,26,01,436	1,38,56,000	14,45,21,772	15,32,29,000	- - - Total.
									Irrigation:
									Major Works:
12	-	-	10,17,041	10,20,000	30,72,194	32,00,000	41,81,262	43,10,000	Working Expenses.
13	-	-	24,52,568	24,52,000	32,74,899	33,30,000	1,49,13,519	1,52,33,000	Interest on Debt.
14	-	-	17,68,571	18,21,000	4,83,466	5,54,000	43,03,885	44,78,000	Minor Works and Navigation.
15	-	-	52,38,180	52,93,000	68,30,559	70,84,000	2,33,98,666	2,40,26,000	- - - Total.
									Other Public Works:
16	88,228	79,000	73,329	89,000	33,459	54,000	1,43,66,777	1,35,04,000	Military Works.
17	-	-	-	-	-	-	-	34,000	Ditto Re-organisation.
18	31,33,674	30,62,000	1,41,65,142	1,32,28,000	87,54,863	1,03,89,000	4,28,32,145	4,47,93,000	Civil Works.
19	2,860	1,000	-	-	-	-	2,860	1,000	Construction of Railways charged to Provincial or Local Revenues.
20	32,24,762	31,42,000	1,42,38,471	1,33,17,000	87,88,322	1,04,43,000	5,72,01,782	5,83,32,000	- - - Total.
									Army Services:
									Army:
21	-	-	-	-	-	-	11,00,93,047	11,90,98,000	Effective.
22	-	-	-	-	-	-	54,13,653	53,45,000	Non-effective.
23	-	-	-	-	-	-	-	35,22,000	Re-organisation.
24	-	-	-	-	-	-	11,55,06,700	12,79,65,000	- - - Total.
									Special Defence Works:
25	-	-	-	-	-	-	3,25,395	7,18,000	Special Defences (1902).
26	1,17,39,593	1,28,94,000	12,52,30,207	12,14,66,000	6,67,89,768	7,16,98,000	57,56,13,874	59,15,10,000	Total Expenditure, Imperial and Provincial.
27	11,48,784	-	89,00,967	-	39,17,133	-	1,40,52,117	90,000	*Add*,—Portion of Allotments to Provincial Governments not spent by them in the year.
28	-	*1,99,000*	-	*19,60,000*	-	*15,13,000*	*27,97,671*	*63,36,000*	*Deduct*,—Portion of Provincial Expenditure defrayed from Provincial Balances.
29	1,28,88,377	1,26,95,000	13,41,31,174	11,95,06,000	7,07,06,901	7,01,85,000	58,68,68,320	58,52,64,000	Total Expenditure charged to Revenue.
									Railway and Irrigation Capital not charged to Revenue:
									Capital Outlay on Railways and Irrigation Works:
30	34,81,529	21,98,000	75,97,125	1,45,21,000	72,84,633	70,30,000	3,47,86,744	4,57,06,000	State Railways.
31	-	-	*-29,494*	-	16,94,294	12,89,000	30,01,488	25,19,000	Irrigation Works.
32	34,81,529	21,98,000	75,67,631	1,45,21,000	89,78,927	83,19,000	3,77,88,232	4,82,25,000	- - - Total.

No 3.—ACCOUNT showing the Estimated Expenditure (Imperial, Provincial, and Local) in each of the

HEADS OF EXPENDITURE.	BROUGHT FORWARD.		PUNJAB.		N.W. FRONTIER PROVINCE.		MADRAS.		BOM-	
	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Brought forward from page 10	23,46,59,559	22,72,40,000	2,34,23,383	2,33,68,000	57,58,608	59,90,000	4,61,17,005	4,77,35,000	8,36,28,331	1
RAILWAY REVENUE ACCOUNT:										
State Railways:										
Working Expenses	8,95,14,037	9,46,14,000	2,64,98,970	2,85,00,000	–	–	1,10,83,563	1,28,58,000	2,35,75,795	2
Interest on Debt	4,95,20,758	5,22,93,000	–	–	–	–	–	–	–	3
Annuities in purchase of Railways	–	–	–	–	–	–	–	–	–	4
Interest chargeable against Companies on Advances.	29,14,914	32,17,000	–	–	–	–	37,042	62,000	–	5
Interest on Capital deposited by Companies.	3,82,590	4,16,000	–	–	–	–	45,986	68,000	–	6
Guaranteed Companies:										
Surplus Profits, Land, and Supervision	9,22,040	12,77,000	–	–	–	–	1,94,817	1,56,000	4,14,131	7
Interest	2,28,672	2,78,000	–	–	–	–	–	–	–	8
Subsidized Companies:										
Land, &c.	3,24,884	5,40,000	23,491	3,49,000	–	–	1,08,795	—*1,000*	320	9
Miscellaneous Railway Expenditure	7,13,877	5,94,000	18,401	96,000	–	25,000	71,371	29,000	11,967	10
TOTAL	14,45,21,772	15,32,29,000	2,65,40,862	2,89,45,000	–	25,000	1,15,41,574	1,31,72,000	2,90,02,213	11
IRRIGATION:										
Major Works:										
Working Expenses	41,81,262	43,10,000	53,99,893	58,10,000	97,710	1,15,000	16,43,582	17,66,000	8,38,821	12
Interest on Debt	1,49,13,519	1,52,38,000	–	–	–	–	–	–	–	13
Minor Works and Navigation	43,03,385	44,78,000	9,95,264	12,26,000	1,12,544	2,12,000	45,82,669	48,20,000	30,98,705	14
TOTAL	2,33,98,666	2,40,26,000	63,95,157	70,36,000	2,10,254	3,27,000	62,26,251	65,86,000	39,37,526	15
OTHER PUBLIC WORKS:										
Military Works	1,43,66,777	1,35,04,000	55,980	1,90,000	–	–	78,426	1,04,000	2,24,012	16
Ditto Re-organisation	–	34,000	–	–	–	–	–	–	–	17
Civil Works	4,28,32,145	4,47,93,000	64,84,699	63,90,000	22,02,847	21,95,000	83,61,802	99,86,000	77,71,936	18
Construction of Railways charged to Provincial or Local Revenues.	2,860	1,000	–	–	–	–	3,95,388	1,00,000	–	19
TOTAL	5,72,01,782	5,83,32,000	65,40,679	65,80,000	22,02,847	21,95,000	88,35,616	1,01,90,000	79,95,948	20
ARMY SERVICES:										
Army:										
Effective	11,00,93,047	11,90,98,000	–	–	–	–	3,22,76,812	3,44,74,000	4,03,44,999	21
Non-effective	54,13,653	53,45,000	–	–	–	–	31,48,574	30,99,000	15,29,821	22
Re-organisation	–	35,22,000	–	–	–	–	–	5,62,000	–	23
TOTAL	11,55,06,700	12,79,65,000	–	–	–	–	3,54,25,386	3,81,35,000	4,18,74,820	24
SPECIAL DEFENCE WORKS:										
Special Defences (1902)	3,25,395	7,18,000	–	–	–	–	–	–	–	25
TOTAL EXPENDITURE, IMPERIAL AND PROVINCIAL	57,56,13,874	59,15,10,000	6,29,00,081	6,59,29,000	81,71,709	85,37,000	10,81,45,832	11,58,18,000	16,64,38,838	26
Add,—Portion of Allotments to Provincial Governments not spent by them in the year.	1,40,52,117	90,000	8,41,577	51,64,000	8,155	3,000	54,88,899	–	3,35,808	27
Deduct,—Portion of Provincial Expenditure defrayed from Provincial Balances.	*27,97,671*	*63,36,000*	–	–	–	–	–	*33,77,000*	–	28
TOTAL EXPENDITURE CHARGED TO REVENUE	58,68,68,320	58,52,64,000	6,37,41,658	7,10,93,000	81,79,864	85,40,000	11,36,34,731	11,24,41,000	16,67,74,646	29
RAILWAY AND IRRIGATION CAPITAL NOT CHARGED TO REVENUE:										
Capital Outlay on Railway and Irrigation Works:										
State Railways	3,47,86,744	4,57,06,000	15,39,397	63,47,000	–	–	85,72,557	70,54,000	36,01,269	30
Irrigation Works	30,01,488	25,19,000	26,09,581	20,00,000	–	–	10,41,737	10,48,000	9,08,534	31
TOTAL	3,77,88,232	4,82,25,000	41,48,978	83,47,000	–	–	96,14,294	81,02,000	45,09,803	32

Calcutta, 4 April 1905.

India Office, 11 May 1905.

Provinces of *British India*, and in *England*, for 1904-05, compared with the Results of 1903-04—*continued*.

	BAY.	TOTAL INDIA.				ENGLAND.		GRAND TOTAL.		HEADS OF EXPENDITURE.
		Rupees.		Rupees converted into £ at Rs. 15 = £1.						
	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	1903-04.	1904-05.	
	Rs.	Rs.	Rs.	£	£	£	£	£	£	
1	5,41,98,000	39,35,86,886	35,85,31,000	26,239,126	23,902,100	6,392,446	6,506,586	32,631,572	30,408,686	- - - Brought forward from page 11.
										RAILWAY REVENUE ACCOUNT:
2	3,03,25,000	15,56,72,365	16,62,97,000	10,378,158	11,086,500	–	–	10,378,158	11,086,500	State Railways: Working Expenses.
3	–	4,95,20,758	5,22,93,000	3,301,384	3,486,200	1,140,397	1,141,439	4,441,781	4,627,639	Interest on Debt.
4	–	–	–	–	–	3,004,620	3,009,284	3,004,620	3,009,284	Annuities in purchase of Railways.
5	–	29,51,956	32,79,000	196,797	218,600	218,884	237,307	415,681	455,907	Interest chargeable against Companies on Advances.
6	–	4,28,576	4,84,000	28,572	32,300	1,193,429	1,235,972	1,222,001	1,268,272	Interest on Capital deposited by Companies.
7	3,88,000	15,30,988	18,21,000	102,066	121,400	–	–	102,066	121,400	Guaranteed Companies: Surplus Profits, Land, and Supervision.
8	–	2,28,672	2,78,000	15,245	18,500	1,032,772	1,045,143	1,048,017	1,063,643	Interest.
9	—*1,000*	4,57,490	8,37,000	30,499	59,200	–	–	30,499	59,200	Subsidized Companies: Land, &c.
10	20,000	8,15,616	7,64,000	54,374	50,900	–	–	54,374	50,900	Miscellaneous Railway Expenditure.
11	3,07,32,000	21,16,06,421	22,61,03,000	14,107,095	15,073,600	6,590,102	6,669,145	20,697,197	21,742,745	- - - TOTAL.
										IRRIGATION:
12	11,00,000	1,21,61,268	1,31,01,000	810,751	873,400	–	–	810,751	873,400	Major Works: Working Expenses.
13	–	1,49,13,519	1,52,38,000	994,235	1,015,900	–	–	994,235	1,015,900	Interest on Debt.
14	30,62,000	1,30,93,067	1,37,98,000	872,871	919,800	2,150	1,998	875,021	921,798	Minor Works and Navigation.
15	41,62,000	4,01,67,854	4,21,37,000	2,677,857	2,809,100	2,150	1,998	2,680,007	2,811,098	- - - TOTAL.
										OTHER PUBLIC WORKS:
16	2,02,000	1,47,25,195	1,40,00,000	981,680	933,300	52,974	49,641	1,034,654	982,941	Military Works.
17	–	–	34,000	–	2,300	–	–	–	2,300	Ditto Re-organisation.
18	77,45,000	6,76,53,429	7,11,09,000	4,510,228	4,740,600	92,026	73,882	4,602,254	4,814,482	Civil Works.
19	–	3,98,248	1,01,000	26,550	6,700	–	–	26,550	6,700	Construction of Railways charged to Provincial or Local Revenues.
20	79,47,000	8,27,76,872	8,52,44,000	5,518,458	5,682,900	145,000	123,523	5,663,458	5,806,423	- - - TOTAL.
										ARMY SERVICES:
21	4,28,97,000	18,27,14,858	19,63,79,000	12,180,990	13,091,900	2,618,780	2,947,461	14,799,770	16,039,361	Army: Effective.
22	15,61,000	1,00,92,048	1,00,05,000	672,803	667,000	2,392,635	2,437,352	3,065,438	3,104,352	Non-effective.
23	32,89,000	–	73,73,000	–	491,500	–	686,372	–,	1,177,872	Re-organisation.
24	4,76,57,000	19,28,06,906	21,37,57,000	12,853,793	14,250,400	5,011,415	6,071,185	17,865,208	20,321,585	- - - TOTAL.
										SPECIAL DEFENCE WORKS:
25	–	3,25,395	7,18,000	21,693	47,900	5,361	92,346	27,054	140,246	Special Defences (1902).
26	14,46,96,000	92,12,70,334	92,64,90,000	61,418,022	61,766,000	18,146,474	19,464,783	79,564,496	81,230,783	TOTAL EXPENDITURE, IMPERIAL AND PROVINCIAL.
27	40,94,000	2,07,26,556	93,51,000	1,381,770	623,400	–	–	1,381,770	623,400	*Add*,—Portion of Allotments to Provincial Governments not spent by them in the year.
28	–	*27,97,671*	*97,13,000*	*186,511*	*647,500*	–	–	*186,511*	*647,500*	*Deduct*,—Portion of Provincial Expenditure defrayed from Provincial Balances.
29	14,87,90,000	93,91,99,219	92,61,28,000	62,613,281	61,741,900	18,146,474	19,464,783	80,759,755	81,206,683	TOTAL EXPENDITURE CHARGED TO REVENUE.
										RAILWAY AND IRRIGATION CAPITAL NOT CHARGED TO REVENUE: Capital Outlay on Railway and Irrigation Works:
30	1,00,70,000	4,84,99,967	6,91,77,000	3,233,331	4,611,800	1,301,774	1,495,093	4,535,105	6,106,893	State Railways.
31	3,51,000	75,61,340	59,18,000	504,089	394,500	3,809	7,259	507,898	401,759	Irrigation Works.
32	1,04,21,000	5,60,61,307	7,50,95,000	3,737,420	5,006,300	1,305,583	1,502,352	5,043,003	6,508,652	- - - TOTAL.

A. F. Cox, Comptroller and Auditor General.

Arthur Guillum Scott, Accountant General.

EAST INDIA (ESTIMATE).

ESTIMATE of REVENUE and EXPENDITURE of the GOVERNMENT of INDIA for the Year 1904–05 compared with the Results of 1903–04.

(*Presented pursuant to the Government of India Act*, 1858, *Sec.* 53.)

Ordered, by The House of Commons, *to be Printed*, 11 *May* 1905.

[*Price* 2*d.*]

EAST INDIA (HOME ACCOUNTS).

HOME ACCOUNTS

OF THE

GOVERNMENT OF INDIA.

(Presented pursuant to the Government of India Act, 1858, Section 53.)

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY.

Ordered, by The House of Commons, *to be Printed*, 11 *May* 1905.

LIST.

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No. 3.—Report of the Auditor of the Indian Home Accounts on the Stores Accounts, from 1st April 1903 to 31st March 1904, prepared, and submitted to Parliament and to the Secretary of State in Council, in pursuance of 52nd Section of the Government of India Act, 1858 - - - - - - - - - - - - - - - p. 30

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India Office,
11 May 1905.

ARTHUR GODLEY,
Under Secretary of State for India.

No. 1. - - - - - - - - -

ACCOUNT of the RECEIPTS and DISBURSEMENTS of the HOME TREASURY

RECEIPTS.

	£	s.	d.	£	s.	d.	£	s.	d.
Balance on the 1st April 1903 - - -							5,767,786	10	6
REVENUE:									
INTEREST:									
Interest realised from investment of Cash Balance, &c.	141,062	12	10						
Interest on India Debt, remaining unclaimed for ten years, repaid by the Bank of England and the Bank of Ireland - - - - - - -	725	11	8						
				141,788	4	6			
TELEGRAPH:									
Indo-European Telegraph:									
Message Revenue - - - - - -	5,890	9	6						
Miscellaneous Receipts - - - - -	652	4	5						
				6,542	13	11			
MINT:									
Proceeds of sale of Indian Coins, &c. sent to this country for assay				48	15	–			
MARINE:									
Sum received from the Admiralty for Torpedo Boat Defence Vessels				21,000	–	–			
MEDICAL:									
Pay, pensions, &c., of Lunatics at the Coton Hill Hospital, Stafford, at the Royal Naval Hospital, Yarmouth, and at Broadmoor Asylum, appropriated to their maintenance - - - -				1,350	14	11			
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:									
Sale proceeds of books, maps, &c. - - - - - -				724	13	9			
RECEIPTS IN AID OF SUPERANNUATION ALLOWANCES AND PENSIONS:									
	£	s.	d.						
Subscriptions, &c., to the Widows' Funds of the Home Establishment of the East India Company - -	11,997	–	5						
Subscriptions in respect of the India Office Provident Fund - - - - - - - - - -	1,578	11	11						
Subscriptions in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund:									
Bengal Civil Service Annuity Fund - - - - - -	2,055	12	10						
Madras Civil Service Annuity Fund - - - - -	476	14	7						
Bombay Civil Fund: Annuity Branch - - - - -	445	7	2						
Bengal Civil Fund - - -	386	11	10						
Madras Civil Fund - - -	38	3	10						
Bombay Civil Fund: Provident Branch - - - - -	573	5	3						
Bengal Military Orphan Society -	14,439	14	10						
Bengal Military Fund - - -	20,681	10	7						
Madras Military Fund - -	10,209	3	1						
Bombay Military Fund - -	6,985	13	2						
Madras Medical Fund - - -	104	10	9						
Indian Navy Fund - - -	543	13	5						
	56,940	1	4						
Subscriptions towards Indian Civil Service Family Pensions - - - - - - - - -	7,377	17	1						
Contributions towards Leave Allowances and Pensions of Civil Officers lent from India for Imperial Service - - - - - - - - -	361	–	9						
				78,254	11	6			
Carried forward - - £				249,709	13	7	5,767,786	10	6

- - - - - - - - No. 1.

of the GOVERNMENT of *India*, from 1st April 1903 to 31st March 1904.

DISBURSEMENTS.

EXPENDITURE:

	£ s. d.	£ s. d.
LAND REVENUE:		
Law Charges in connection with Appeals from India, a portion of which is recoverable in India	92 2 7	
Stores for India: Printing plant, &c.	315 16 9	
		407 19 4
OPIUM: Stores for India: for the Behar and Benares Opium Agencies		3,599 19 6
SALT: Stores for India: Steel Rails, &c.		2,133 12 1
STAMPS: Stores for India		42,220 19 7
EXCISE: Stores for India		33 4 6
CUSTOMS: Stores for India: Scales and Weights, &c.		128 3 8
FOREST:		
Expenses in connection with Candidates for the Indian Forest Department, Passage to India on appointment, &c.	1,224 9 11	
Stores for India: Light Railway Plant, &c.	1,259 19 11	
		2,484 9 10
INTEREST ON DEBT (EXCLUDING THAT CHARGED ON PAGE 13 TO RAILWAYS):		
Interest on Loans contracted in England: *	£ s. d.	
India 3½ per Cent. Stock	1,813,793 9 10	
India 3 per Cent. Stock — £ 999,718 19 4		
Less—Chargeable against Companies on Advances (*see* page 13) — 218,884 5 –		
	780,834 14 4	
India 2½ per Cent. Stock	278,771 5 6	
India Bills (Discount on issue)	69,260 16 7	
	2,942,660 6 3	
Discount Sinking Fund, in redemption of debt incurred in excess of money raised:		
Investment in 19,779*l.* 5*s.* 6*d.* India 3½ per Cent. Stock of the sum applicable to this purpose	20,790 1 4	
Discount on the issue of 1,500,000*l.* India 3 per Cent. Stock	20,095 1 1	
		2,983,545 8 8
INTEREST ON OTHER OBLIGATIONS:		
Interest on Deposits in Regimental Savings Banks of men returned from India		2 12 8
POST OFFICE:		
Payments under the Postal arrangement with the Lords of His Majesty's Treasury	52,000 – –	
Deputation Allowance of the Deputy Director-General of the Post Office on duty as a Member of the Inter-Departmental Committee on the Eastern Mail Service	594 18 6	
	52,594 18 6	
Stores for India	52,099 5 8	
		104,694 4 2
Carried forward	£	3,139,250 14 –

* Total Interest on Loans contracted in England:—

	£ s. d.
India 3½ per Cent. Stock	2,201,667 14 –
India 3 per Cent. Stock	1,481,450 4 –
India 2½ per Cent. Stock	297,287 9 6
India Bills	69,260 16 7
East Indian Railway Debenture Stock	64,604 4 10
Eastern Bengal Railway Debenture Stock	13,946 6 8
South Indian Railway Debenture Stock	19,124 19 –
Great Indian Peninsula Railway Debentures and Debenture Stock	151,860 10 –
£	4,299,202 4 7

Charged in the Account as follows:—				£ s. d.
Under Interest on Ordinary Debt (as above)				2,942,660 6 3
Under Railway Revenue Account (page 13):				
State Railways — Interest on Debt	£ 1,140,396	s. 11	d. 9	
Deduct — Oude and Rohilkund Railway Discount Sinking Fund (*see* p. 12)	2,738	18	5	
	1,137,657	13	4	
State Railways — Interest chargeable against Companies on Advances	218,884	5	–	
				1,356,541 18 4
£				4,299,202 4 7

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

	£ s. d.	£ s. d.
Brought forward - - -	249,709 13 7	5,767,786 10 6
RECEIPTS—*continued.*		
REVENUE—*continued.*		
MISCELLANEOUS:		
From the Commissioners of Inland Revenue: Allowance in respect of the assessments of Income Tax made at the India Office - -	856 11 6	
Conscience Money - - - - - - -	409 – –	
Recovery in respect of Law Charges incurred in connection with the Traffic in Arms in the Persian Gulf - - - - - - -	409 18 5	
Miscellaneous Fees, &c. - - - - -	350 18 1	
Sale proceeds of unserviceable stores and receipts on sundry accounts - - - - - -	191 4 8	
	2,217 12 8	
Miscellaneous Receipts connected with the supply of Stores to India:		
Fines and Penalties incurred by Contractors in providing Stores and Freight (less refunds) - - - - -	£ s. d. 10,406 12 4	
Recoveries in respect of Stores lost in transit to India -	157 18 5	
Sale proceeds of sawdust, &c.	55 14 6	
Rent of Wharf adjoining the India Store Depôt, and the proportion of rates and taxes chargeable thereon - -	71 6 3	
Repayment of expenses incurred in inspecting Stores on behalf of the Mexican Central Railway Company -	7 7 –	
Departmental Expenses on Stores procured for the use of Troops in China and in Somaliland - - -	108 13 10	
	10,807 12 4	
		13,025 5 –
RAILWAYS:		
STATE RAILWAYS:		
East Indian Railway: Rent of premises occupied by the Company - - - - - -	230 – –	
SUBSIDIZED COMPANIES:	£ s. d.	
Rohilkund and Kumaon Railway: Government share of surplus profits for the year 1902 -	1,223 14 3	
Southern Punjab Railway: Government share of surplus profits for the year 1902 -	5,998 3 6	
	7,221 17 9	
		7,451 17 9
OTHER PUBLIC WORKS:		
CIVIL WORKS AND MISCELLANEOUS SERVICES:		
Royal Indian Engineering College: Fees and Caution Money received from Students - - - - - - - -	21,439 – –	
Receipts for testing-work done in the Laboratories; and sale proceeds of provisions, farm produce, &c. - - - - -	4,732 12 3	
		26,171 12 3
Carried forward - - - £	296,358 8 7	5,767,786, 10 6

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

						£	s.	d.	£ s. d.
Brought forward - - -						-	-	-	3,139,250 14 –
DISBURSEMENTS—*continued*.									
EXPENDITURE—*continued*.									
TELEGRAPH:									
Indo-European Telegraph:	£	s.	d.	£	s.	d.			
Payments in respect of Revenue:									
Message Revenue -	48,598	10	1						
Joint Purse Agreement -	*22,508*	*17*	*8*						
Australasian Message Fund -	7,737	7	3						
Other Payments:				33,826	19	8			
Absentee allowances - -	712	18	11						
Expenses of Constantinople Office - - - -	342	16	1						
Contingencies - - -	738	5	11						
Stores - - - - -	15,931	19	1						
				17,726	–	–			
							51,552	19	8
Red Sea and India Telegraph: Moiety of Annuity (terminating in 1908) payable to Shareholders of the late Red Sea and India Telegraph Company, under Act 25 & 26 Vict. c. 39 - - -							18,027	–	–
Indian Telegraph Department:				£	s.	d.			
Absentee allowances - - - - - -				4,318	13	7			
Deputation Allowance of Delegate to the International Telegraph Conference at Berne, passage to India of Officers of the Department on appointment, &c. - - - - - -				953	11	6			
							5,272	5	1
							74,852	4	9
Telegraph Lines in India—Stores for India - - - - - -							168,724	1	7
									243,576 6 4
MINT:									
Expenses in connection with new designs for Indian Coins - -							74	–	6
Cost of assay of Indian Coins - - - - - - - -							18	10	–
							92	10	6
Stores for India - - - - - - - - - - -							8,003	6	–
									8,095 16 6
GENERAL ADMINISTRATION:									
England.									
Salaries of the Secretary of State, Under Secretaries and Assistant Under Secretary of State, Members of the Council of India, Secretaries and Officers of the Secretary of State for India in Council, Assistant Military Secretary for Indian Affairs at the War Office and Clerk, two Members of the London Medical Board, &c. - -				132,972	10	6			
Auditor and Assistants, under the Government of India Act, 1858, s. 52 - - - - -				7,228	12	–			
Store Department: Wages of artificers and labourers, commission of professional inspectors, travelling expenses, rates and taxes, repairs, supplies, &c - - - - - -				26,269	18	3			
Law Charges - - - - - - - -				643	1	2			
Bank of England and Bank of Ireland for management of debt - - - - - - -				47,729	16	–			
Postage of despatches to India - - - -				422	11	3			
Telegrams to India - - - - - -				5,741	–	10			
Office Contingencies: Rates, taxes, furniture and repairs, coal, gas, electric lighting, books, newspapers, advertisements, stamps, inland postage and telegrams, messengers' uniforms, and various petty charges - - - - - -				16,734	–	–			
India.							237,741	10	–
Passage and Outfit Allowance of the Governor of Bombay - - - - - - - - -				1,000	–	–			
Passage and Outfit Allowance of a Member of the Council of the Governor General - - -				300	–	–			
Plans and Views from Engravings of Old Calcutta, &c.				55	5	6			
Books and Newspapers supplied to India, not invoiced as Stores - - - - - -				1,023	3	7			
							2,378	9	1
							240,119	19	1
Stores for India: Currency Notes, &c. - - - -							39,482	8	9
									279,602 7 10
Carried forward - - - £									3,670,525 4 8

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward - -				296,358	8	7	5,767,786	10	6
Receipts—continued.									
Revenue—continued.									
ARMY:									
Effective.									
Contribution by the Imperial Government in respect of									
Cost of the Transport of Troops - - - - -	130,000	–	–						
Military Charges for Aden -	100,000	–	–						
				230,000	–	–			
Value of Clothing, Accoutrements, &c., in possession of Regiments on their transfer from the Indian to the British Establishment; Proceeds of Sales of unserviceable Military Stores, &c.:									
Clothing and Necessaries -	47,546	18	10						
Ordnance and Miscellaneous -	112,027	19	9						
				159,574	18	7			
Indian Troop Service: Receipts from the Admiralty, Recoveries on account of Messing, &c. - - - - - - - - -				12,191	–	2			
Passage of Officers and Troops: Recoveries on account of Messing - - - - - -				162	2	–			
Fees received in respect of King's India Cadets at the Royal Military College, Sandhurst - -				680	–	–			
Discharge Purchase Money - - - - -				24	–	–			
				402,632	–	9			
Non-Effective.									
Subscriptions towards Indian Military Service Family Pensions	25,221	15	2						
Contributions towards Pensions of Indian Native soldiers lent for Imperial Service - - -	22,532	8	8						
				47,754	3	10			
							450,386	4	7
Carried forward - -						£	746,744	13	2	5,767,786	10	6

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued.*

	£ s. d.	£ s. d.
Brought forward - -	- - -	3,670,525 4 8
DISBURSEMENTS—*continued.*		
EXPENDITURE—*continued.*		
LAW AND JUSTICE:		
Passage and Outfit Allowance of a Judge of the High Court, Calcutta - - - - - - - - - - - -	300 – –	
Salary of Privy Council Reporter under the arrangement made by the Government of India for the publication of Law Reports -	150 – –	
Cost of sending a soldier to India for re-trial for unlawful wounding	328 6 4	
	778 6 4	
Stores for India - - - - - - - - - - -	82 10 5	
		860 16 9
POLICE:		
Passage to India of Assistant Superintendents on appointment, &c. - - - -		967 5 11
MARINE:		
Contribution towards the expenses of His Majesty's Ships employed in the Indian Seas, &c. - - - - - - - -	100,023 6 8	
Cost of alterations to Torpedo Boat Defence Vessels; and passage of Officers and men of Defence Vessels - - - - - -	614 – –	
Allowances of Marine Officers whilst under instruction - -	593 7 10	
Pay and Passage of Marine Officers, of Leadsman Apprentices in the Bengal Pilot Service, &c. - - - - - - -	550 12 10	
	101,781 7 4	
Stores for India (including 97,793*l.* 15*s.* on account of the cost of the R.I.M.S. "Dufferin") - - - - - - - -	179,400 7 3	
		281,181 14 7
EDUCATION:		
Passage to India of Educational Officers on appointment, &c. -	685 18 1	
Scholarships to enable Natives of India to pursue their education in this country - - - - - - - - - - -	1,418 12 7	
Deputation Allowance of Officers while studying educational methods in this country, &c. - - - - - - - -	1,603 2 11	
		3,707 13 7
ECCLESIASTICAL:		
Passage and Outfit Allowance of the Bishop of Bombay, and passage to India of Chaplains on appointment - - - - - - - - - - - -		936 6 1
MEDICAL:		
Cost of maintenance of Lunatics at the Coton Hill Hospital, Stafford, at the Royal Naval Hospital, Yarmouth, and at Broadmoor Asylum - - - - - - - - - -	3,684 1 7	
Pay, Passage, &c., of Medical Officers and Lady Nurses in connection with the Plague, &c. - - - - - - - -	2,202 11 4	
		5,886 12 11
POLITICAL:		
Contribution towards the Mission to the Court of Persia and Minor Consulates - - - - - - - - - -	4,106 6 9	
Pay and expenses of Officers employed in connection with the delimitation of the Aden frontier - - - - - - -	477 5 10	
Moiety of payments in connection with Explorations in Western China - - - - - - - - - - - -	138 6 3	
Miscellaneous expenditure - - - - - - - -	216 1 7	
	4,938 – 5	
Stores for India: Presentation Articles - - - - -	154 8 –	
		5,092 8 5
Carried forward - - - - - £		3,969,158 2 11

No 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward - - - -	746,744	13	2	5,767,786	10	6
RECEIPTS—*continued.*						
Carried forward - - £	746,744	13	2	5,767,786	10	6

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued.*

	£ s. d.	£ s. d.
Brought forward - - -	- - -	3,969,158 2 11
DISBURSEMENTS—*continued.*		
EXPENDITURE—*continued.*		
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:		
Objects of a literary, scientific, or antiquarian character - - -	2,160 4 8	
Expenses attending the preparation of a new Edition of the "Imperial Gazetteer of India" - - - - - - - -	621 3 1	
Expenses attending the preparation of the "Fauna Indica" - -	639 – 8	
Expenses in connection with the publication of the "Flora of Bombay" - - - - - - - - - - -	268 15 –	
Contingent expenses of the India Museum Collection at Kew - -	268 3 2	
Preparation of Tide Tables for Indian Ports - - - - -	1,139 14 5	
Expenses incurred in connection with the Indian Section of the Imperial Institute - - - - - - - - - -	1,634 16 9	
Remuneration to Officers and others specially employed, and miscellaneous expenditure - - - - - - - - - -	4,427 12 2	
	11,159 9 11	
Stores for India - - - - - - - - - - -	23,364 16 –	
		34,524 5 11
TERRITORIAL AND POLITICAL PENSIONS:		
Members of the Family of the late Maharajah Duleep Singh - -	9,692 1 9	
Members of the Bengal Nizamut Family - - - - -	1,150 10 9	
		10,842 12 6
CIVIL FURLOUGH AND ABSENTEE ALLOWANCES:		
Indian Civil Service - - - - - - - - - -	96,479 9 8	
Military Officers in Civil employ - - - - - - -	72,729 7 4	
Uncovenanted Service - - - - - - - - -	58,973 – 11	
Bengal Pilot Service - - - - - - - - -	1,558 9 5	
Royal Indian Marine - - - - - - - - -	8,562 11 5	
		238,302 18 9
SUPERANNUATION ALLOWANCES AND PENSIONS:		
Pensions for Distinguished and Meritorious Services - - -	8,962 18 8	
Pensions on retirement of Officers of the following classes :—		
India Office:	£ s. d.	
Superannuation - - - - -	26,785 4 9	
Compensation (on reduction of staff) - -	13,316 19 9	
Compassionate - - - - -	2,612 6 11	
	42,714 11 5	
Judges of the High Courts in India - - - - - -	35,222 17 3	
Bishops of Calcutta and Bombay - - - - - -	2,300 – –	
Uncovenanted Service of India - - - - - - -	390,222 12 1	
Bengal Pilot Service - - - - - - - -	5,785 17 7	
Royal Indian Marine - - - - - - - -	11,798 15 –	
Pensions of Officers, &c., of Establishments of the late East India Company, now abolished:		
Officers, &c., of the St. Helena Establishment, pensioned on the abolition of the Commercial Charter in 1834 - - - - - -	£ s. d. 86 17 3	
Officers, &c., of the Home Establishment, pensioned between 1834 and 1858 - - -	591 – 6	
Professor at the Military College at Addiscombe - - - - - - - -	272 9 4	
Officers of the late Indian Navy - - -	8,463 5 –	
	9,413 12 1	
Carried forward - - - £	506,421 4 1	4,252,828 – 1

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward - - -	746,744	13	2	5,767,786	10	6
RECEIPTS—*continued.*						
Carried forward - - - £	746,744	13	2	5,767,786	10	6

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

	£	s.	d.	£	s.	d.
Brought forward - - -	506,421	4	1	4,252,828	–	1
DISBURSEMENTS—*continued*.						
EXPENDITURE—*continued*.						
SUPERANNUATION ALLOWANCES AND PENSIONS—*continued*.						
Pensions of Widows and Families of Officers of the Home Service, from Funds (established by the East India Company) to which the Officers subscribed - - - - - - - - - -	12,176	6	11			
Pensions payable in respect of the India Office Provident Fund - -	3,024	5	–			
Pensions of Widows and Families of Officers of the Bengal Pilot Service, towards which the Officers subscribed - - - - -	5,777	1	6			
Compassionate and Miscellaneous Pensions - - - - -	7,628	–	10			
	535,026	18	4			
Gratuities - - - - - - - - - - - - - - -	1,385	12	8			
Gratuities granted on retirement to Members of the Uncovenanted Service of India - - - - - - - - - - -	1,412	1	8			
Relief to distressed Natives of India - - - - - -	89	9	9			
Subscriptions to Charities (Strangers' Home for Asiatics, Seamen's Hospital Society, and Soldiers' Daughters' Home, &c.) - - -	360	5	–			
	538,274	7	5			
Annuities, Pensions, and Allowances payable in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund:						
	£	s.	d.			
Bengal Civil Service Annuity Fund - -	350,673	13	–			
Madras Civil Service Annuity Fund - -	91,741	16	11			
Bombay Civil Fund: Annuity Branch - -	102,432	5	–			
Bengal Civil Fund - - - - - -	153,245	10	5			
Madras Civil Fund - - - - - -	64,986	18	10			
Bombay Civil Fund: Provident Branch -	41,715	7	5			
Bengal Military Orphan Society - - -	57,647	6	8			
Bengal Military Fund - - - - -	217,734	1	–			
Madras Military Fund - - - - -	192,130	15	4			
Bombay Military Fund - - - - -	107,121	15	1			
Bengal Medical Retiring Fund - - -	10,280	2	5			
Madras Medical Fund - - - - -	59,235	2	7			
Bombay Medical Retiring Fund - - -	2,207	16	10			
Indian Navy Fund - - - - -	15,104	4	8			
	1,466,256	16	2			
Indian Civil Service Family Pensions - - - - - -	7,190	19	6			
				2,011,722	3	1
STATIONERY AND PRINTING:						
Stationery, Printing, and Bookbinding, for the India Office, &c. -	9,757	–	–			
Stores for India - - - - - - - - - -	80,109	3	9			
				89,866	3	9
Carried forward - - - - - £				6,354,416	6	11

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

RECEIPTS—*continued.*

	£	s.	d.	£	s.	d.
Brought forward				746,744	13	2
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):						
Interest in lieu of Deferred Annuity:						
Interest at 4 per cent. per annum on 6,550,000*l.* (being one-fifth of the commuted value of the Capital Stock of the East Indian Railway Company), the proprietors of which availed themselves of the option of deferring payment of the portion of the Annuity to which they were entitled	262,000	–	–			
Annuities:						
Annuity terminating in 1953, at the rate of 5*l.* 12*s.* 6*d.* for 100*l.* Stock of the Company	849,065	13	6			
" " 1957 " " 6*l.* 3*s.* 4·79*d.* " " "	116,831	–	3			
" " 1958 " " 5*l.* 3*s.* 3·141*d.* " " "	371,794	4	3			
" " 1948 " " 6*l.* 13*s.* 6·770*d.* " " "	1,268,508	11	–			
Contribution towards management, &c., in respect of the Annuity registered in the name of the Secretary of State	1,374	12	4	328	19	2
Sinking Funds created pursuant to Acts 42 & 43 Vict. c. 206, s. 51, and 44 & 45 Vict. c. 53, s. 2 (a):						
Investment of the difference between the sums retained by the Secretary of State in respect of the Annuity and Debenture Stock redeemed by him, and the interest on the Stock originally created for the redemption thereof:—						
In £37,067 6 6 India 3½ per Cent. Stock	38,941	5	8			
" 3,221 10 4 " 3½ " "	3,384	18	6			
" 26,968 – 5 " 3½ " "	28,439	17	3			
Investment of interest on the amount of Stock purchased for the Sinking Funds and cancelled:—						
In £38,797 8 10 India 3½ per Cent. Stock	40,829	1	5			
" 2,435 12 4 " 3½ " "	2,563	1	4			
" 19,542 4 10 " 3½ " "	20,564	6	10			
£128,032 3 3						
STATE RAILWAYS—INTEREST ON DEBT:						
On India 3½ per Cent. Stock issued in redemption of portion of Annuity and Debenture Stock, and outstanding	218,357	12	8	18,733	8	6
" " 3 " " " " " Annuity, Debenture Stock, and Debentures, and for purchase of Undertakings of Railway Companies	7,223	2	8	6	17	–
" " 2½ " " " " " Debentures and Debenture Stock	–	–	–	–	–	–
" Railway Debenture Stock and Debentures	64,604	4	10	13,946	6	8
Discount Sinking Fund, in redemption of Debt incurred in excess of money raised:						
Investment in £2,605 8 9 India 3½ per Cent. Stock of the sum applicable to this purpose	–	–	–	–	–	–
£130,637 12 – India 3½ per Cent. Stock purchased and cancelled.	290,185	–	2	32,686	12	2
£	1,482,395	13	1	155,594	11	5
Total				4,145,016	5	4
(Carried forward £	4,891,411	18	3	4,891,411	18	3

	East Indian Railway.	Eastern Bengal Railway.	Scinde Punjab and Delhi Railway.	Oude and Rohilkund Railway.	South Indian Railway.	Great Indian Peninsula Railway.	TOTAL.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):							
Interest in lieu of Deferred Annuity:							
Interest at 4 per cent. per annum on 6,550,000*l.* (being one-fifth of the commuted value of the Capital Stock of the East Indian Railway Company), the proprietors of which availed themselves of the option of deferring payment of the portion of the Annuity to which they were entitled	262,000 – –	—	—	—	—	—	
Annuities:							
Annuity terminating in 1953, at the rate of 5*l.* 12*s.* 6*d.* for 100*l.* Stock of the Company	849,065 13 6	—	—	—	—	—	
" " 1957 " " 6*l.* 3*s.* 4·79*d.* " " "	– – –	116,831 – 3	—	—	—	—	
" " 1958 " " 5*l.* 3*s.* 3·141*d.* " " "	– – –	– – –	371,794 4 3	—	—	—	
" " 1948 " " 6*l.* 13*s.* 6·770*d.* " " "	– – –	– – –	– – –	– – –	– – –	1,268,508 11 –	
Contribution towards management, &c., in respect of the Annuity registered in the name of the Secretary of State	1,374 12 4	128 19 2	120 18 5	—	—	73 3 8	
Sinking Funds created pursuant to Acts 42 & 43 Vict. c. 206, s. 51, and 44 & 45 Vict. c. 53, s. 2 (a):							
Investment of the difference between the sums retained by the Secretary of State in respect of the Annuity and Debenture Stock redeemed by him, and the interest on the Stock originally created for the redemption thereof:—							
In £37,067 6 6 India 3½ per Cent. Stock	38,941 5 8	—	—	—	—	—	
" 3,221 10 4 " 3½ " "	– – –	3,384 18 6	—	—	—	—	
" 26,968 – 5 " 3½ " "	– – –	– – –	28,439 17 3	—	—	—	
Investment of interest on the amount of Stock purchased for the Sinking Funds and cancelled:—							
In £38,797 8 10 India 3½ per Cent. Stock	40,829 1 5	—	—	—	—	—	
" 2,435 12 4 " 3½ " "	– – –	2,563 1 4	—	—	—	—	
" 19,542 4 10 " 3½ " "	– – –	– – –	20,564 6 10	—	—	—	
£128,032 3 3							
	1,192,210 12 11	122,907 19 3	420,919 6 9	– – –	– – –	1,268,581 14 8	3,004,619 13 7
STATE RAILWAYS—INTEREST ON DEBT:							
On India 3½ per Cent. Stock issued in redemption of portion of Annuity and Debenture Stock, and outstanding	218,357 12 8	18,733 8 6	151,839 – 1	*–1,055 17 1**	—	—	
" " 3 " " " " " Annuity, Debenture Stock, and Debentures, and for purchase of Undertakings of Railway Companies	7,223 2 8	6 17 –	*–496 12 –†*	303,990 16 8	119,886 13 8	45,120 6 8	
" " 2½ " " " " " Debentures and Debenture Stock	– – –	– – –	– – –	10,892 11 –	7,623 13 –	—	
" Railway Debenture Stock and Debentures	64,604 4 10	13,946 6 8	– – –	– – –	19,124 19 –	151,860 10 –	
Discount Sinking Fund, in redemption of Debt incurred in excess of money raised:							
Investment in £2,605 8 9 India 3½ per Cent. Stock of the sum applicable to this purpose	– – –	– – –	– – –	2,738 18 5	—	—	
£130,637 12 – India 3½ per Cent. Stock purchased and cancelled.	290,185 – 2	32,686 12 2	151,342 8 1	322,566 9 –	146,635 5 8	196,980 16 8	1,140,396 11 9
£	1,482,395 13 1	155,594 11 5	572,261 14 10	322,566 9 –	146,635 5 8	1,465,562 11 4	4,145,016 5 4

* The Discount Sinking Fund in redemption of Debt incurred in excess of money raised, in respect of the India 3 per Cent. Stock issued in connection with the purchase of the Oude and Rohilkund Railway, has been partly applied to the redemption of India 3½ per Cent. Stock, instead of India 3 per Cent. Stock.

† The Sinking Fund has been partly applied to the Redemption of India 3 per Cent. Stock, instead of India 3½ per Cent. Stock.

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

	£ s. d.	£ s. d.
Brought forward - - -	- - -	6,354,416 6 11
DISBURSEMENTS—*continued*.		
EXPENDITURE—*continued*.		
MISCELLANEOUS:		
Examination Expenses and Allowances of Candidates for the Indian Civil Service - - - - - - - - -	7,969 6 9	
Repairs to Insignia of the Orders of the "Star of India," and the "Indian Empire" - - - - - - -	13 12 –	
Composition in lieu of Stamp Duty on India Bills - - -	350 – –	
Contribution towards the expenses of the International Tariffs Bureau, at Brussels - - - - - - - - -	197 8 4	
Sundries - - - - - - - - - - - -	4 8 8	
	8,534 15 9	
Miscellaneous Charges connected with the supply of Stores to India: £ s. d.		
Commission on Freight, Lighterage, Dock Dues, Packing, &c. - - 6,859 12 4		
Cost of Stores lost in transit to India, General Average, &c. - - - 362 13 9	7,222 6 1	
		15,757 1 10
FAMINE RELIEF AND INSURANCE:		
CONSTRUCTION OF PROTECTIVE RAILWAYS:		
Payments to the Madras Railway Company for the construction of Famine Railways - - - - -	21,749 18 7	
CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS:		
Expenses in connection with the Indian Irrigation Commission - - 393 16 9		
Stores for India - - - - 128 14 –	522 10 9	
		22,272 9 4
RAILWAY REVENUE ACCOUNT:		
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS): (*See* Details on opposite page.)		
East Indian Railway - - - - 1,192,210 12 11		
Eastern Bengal Railway - - - 122,907 19 3		
Scinde Punjab and Delhi Railway - - 420,919 6 9		
Great Indian Peninsula Railway - - 1,268,581 14 8	3,004,619 13 7	
STATE RAILWAYS—INTEREST ON DEBT: (*See* Details on opposite page.)		
East Indian Railway - - - - 290,185 – 2		
Eastern Bengal Railway - - - 32,686 12 2		
Scinde Punjab and Delhi Railway - - 151,342 8 1		
Oude and Rohilkund Railway - - - 322,566 9 –		
South Indian Railway - - - - 146,635 5 8		
Great Indian Peninsula Railway - - 196,980 16 8	1,140,396 11 9	
STATE RAILWAYS—INTEREST CHARGEABLE AGAINST COMPANIES ON ADVANCES:		
*Bengal Central Railway - - - - 16,250 – –		
Bengal-Nagpur Railway - - - 89,700 – –		
Indian Midland Railway - - - 43,712 10 –		
Southern Mahratta Railway - - - 69,221 15 –	218,884 5 –	
STATE RAILWAYS—INTEREST ON CAPITAL DEPOSITED BY COMPANIES:		
Assam-Bengal Railway - - - - 88,216 15 –		
*Bengal Central Railway - - - - 17,500 – –		
Bengal-Nagpur Railway - - - - 262,214 – –		
Burma Railways - - - - - 87,500 – –		
East Indian Railway - - - - 170,004 13 9		
Great Indian Peninsula Railway - - 77,250 – –		
Indian Midland Railway - - - - 218,176 – –		
Southern Mahratta Railway - - - 207,568 – –		
South Indian Railway - - - - 65,000 – –	1,193,429 8 9	
GUARANTEED COMPANIES—INTEREST:		
Bombay Baroda and Central India Railway 474,818 15 8		
Madras Railway - - - - - 557,953 7 –	1,032,772 2 8	
		6,590,102 1 9
Carried forward - - - - £		12,982,547 19 10

* Although for convenience classed among the State Railways, this Line is the property of the Bengal Central Railway Company.

No. 1.—Account of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward - - -	746,744	13	2	5,767,786	10	6
Receipts—*continued.*						
Carried forward - £	746,744	13	2	5,767,786	10	6

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Brought forward - - -			- - -	12,982,547 19 10
DISBURSEMENTS—*continued*.				
EXPENDITURE—*continued*.				
IRRIGATION:				
MINOR WORKS AND NAVIGATION: Stores for India - -			- - -	2,150 - 5
OTHER PUBLIC WORKS:				
MILITARY WORKS: Stores for India - - - - - -			52,973 10 10	
CIVIL WORKS AND MISCELLANEOUS SERVICES:				
Royal Indian Engineering College:				
Salaries of President, Professors, &c.; wages of servants; provisions, and contingent expenses; and Continental Tour of Forest Students - -	£ s. d. 27,771 7 -			
Refund of Caution Money to Students - - -	240 - -			
	28,011 7 -			
Cost of alterations and additions to the College Buildings, &c. - -	3,257 13 3	£ s. d. 31,269 - 3		
Salaries and expenses, while gaining practical experience in their profession, of Students retained in this country after having passed out of the Royal Indian Engineering College -		523 18 1		
Passage to India of Assistant Engineers on appointment - - - - - - -		833 17 2		
Furlough Pay and Allowances of Military Officers in the Public Works Department -		6,648 8 9		
Absentee Allowances of Civil Officers in the Public Works Department - - -		44,534 3 10		
Passage to India of Officers on appointment to the Public Works Department - -		664 13 -		
Allowances and Expenses of Officers and others on special duty, and visiting Works, &c. - - - - - - - - -		964 17 9		
		85,438 18 10		
Stores for India - - - - - - -		6,587 9 11		
			92,026 8 9	
ARMY:				144,999 19 7
Effective.				
Payments to the Imperial Government on account of Disbursements by the War Office in respect of H.M.'s British Forces serving in India:—				
	£ s. d.			
For the year 1903–04 - -	750,000 - -			
Deferred Pay for the training period of men enlisted before 1st April 1898 -	38,000 - -			
Adjustments through War Office Miscellaneous Accounts - - - - -	1,206 8 2			
	789,206 8 2			
Less—Refund of over-payments:—				
For the year 1901–02 -	£ s. d. 72,287 - -			
For the year 1902–03 -	90,204 9 9			
	162,491 9 9			
	626,714 18 5			
Add—Refund in respect of advance from the Imperial Government in 1901–02 towards special bounties granted to British Soldiers in India for extension of their service with the Colours - - -	394 10 -	627,109 8 5		
Furlough allowances of Officers of the Indian Service - - - - - - - -		261,114 19 5		
Furlough allowances of Officers and men of British Regiments serving in India - - - -		119,312 16 2		
Advances to Regiments proceeding to India -		16,307 1 3		
Carried forward - - £		1,023,844 5 3	- - -	13,129,697 19 10

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£ s. d.	£ s. d.
Brought forward - - -	746,744 13 2	5,767,786 10 6
RECEIPTS—*continued.*		
TOTAL RECEIPTS ON ACCOUNT OF REVENUE - - - - - -		746,744 13 2
Carried forward - - - £		6,514,531 3 8

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued.*

	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward - - -	1,023,844	5	3	-	-	-	13,129,697	19	10
DISBURSEMENTS—*continued.*									
EXPENDITURE—*continued.*									
ARMY—*continued.*									
Effective—continued.									
Pay and allowances during Voyage, of Regiments returning from India - - - - -	5,512	7	2						
Indian Troop Service - - - - -	360,038	15	3						
Passage of Officers and others not charged to Indian Troop Service - - - - -	10,466	18	8						
Outfit Allowance to Officers on promotion to Commissioned Rank - - - - -	400	-	-						
Deferred Pay issued to Non-commissioned Officers who took their discharge when on Furlough -	1,284	10	-						
Pay and allowances of Second Lieutenants on appointment, &c. - - - - - - -	1,041	-	3						
Pay and allowances of Lieutenants on appointment to the Indian Medical Service, &c. - - -	9,473	12	7						
Pay and expenses of Military Officers on special duty - - - - - - - - -	9,404	16	3						
Pay and expenses of Military Officers under technical instruction - - - - -	3,639	-	1						
Pay and expenses of Military Officers studying the Russian language - - - - -	4,561	2	2						
Outfit allowance, furlough pay, &c., of Lady Nurses	2,156	-	5						
Pay and expenses of Native Orderlies to His Majesty the King - - - - -	2,863	16	10						
Purchase of Stallions - - - - -	5,527	18	7						
Pay and expenses of Artificers on appointment to various Government Factories in India; and other miscellaneous expenditure - - -	4,465	11	6						
	1,444,679	15	-						
Stores for India :	£	s.	d.						
Clothing - - - -	238,955	17	11						
Ordnance and Miscellaneous	795,670	-	10						
Medical - - -	54,144	18	7						
Supply and Transport Corps	85,328	19	6						
	1,174,099	16	10						
				2,618,779	11	10			
Non-Effective.									
Payments to the Imperial Government on account of Retired Pay, Pensions, &c., of H.M.'s British Forces for service in India :—									
For the year 1903–04 - -	647,350	-	-						
Further payment for the year 1902–03 - -	12,545	-	-						
	659,895	-	-						
Pay of Non-effective Colonels of Royal Artillery	20,270	2	-						
Pay and Pensions of Non-effective and Retired Officers of the Indian Service - - -	1,580,924	2	2						
Compassionate Allowances of Officers removed from the Service, &c. - - - - - -	2,314	14	11						
Pensions of Non-commissioned Officers and soldiers	4,572	13	4						
Pensions of Widows and Families of Officers killed in the Mutiny, or otherwise in discharge of duty	11,237	5	2						
Pensions of Widows and Families of Officers, &c., of the Indian Service - - - - -	67,076	2	8						
Indian Military Service Family Pensions, towards which the Officers subscribed - - -	46,287	6	9						
Cost of Medals - - - - - -	57	11	8						
				2,392,634	18	8			
							5,011,414	10	6
SPECIAL DEFENCE WORKS :									
SPECIAL DEFENCES (1902); Stores for India - - - - -							5,361	8	1
TOTAL EXPENDITURE CHARGEABLE AGAINST REVENUE (carried forward) - £							18,146,473	18	5

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury

	£	s.	d.	£	s.	d.
Brought forward - -				6,514,531	3	8

RECEIPTS—*continued.*

CAPITAL RECEIPTS FROM RAILWAY COMPANIES:*

ON ACCOUNT OF TRANSFER FEES, AND MISCELLANEOUS REFUNDS:

	£	s.	d.	£	s.	d.	£	s.	d.
State:									
Assam-Bengal Railway - - - -	1,909	8	6						
†Bengal Central Railway - - - -	132	10	5						
Bengal-Nagpur Railway - - - -	449	1	–						
Burma Railways - - - - -	328	3	11						
Indian Midland Railway - - - -	86	7	6						
‡Rohilkund and Kumaon Railway - - -	37	16	2						
Southern Mahratta Railway - - -	2,738	12	3						
				5,681	19	9			
Guaranteed:									
Bombay Baroda and Central India Railway -	668	–	7						
Madras Railway - - - - - - -	608	14	10						
				1,276	15	5			
							6,958	15	2
Carried forward - -						£	6,521,489	18	10

* *See* note on opposite page.
† *See* note on page 13.
‡ Although for convenience the Rohilkund and Kumaon Railway is classed among the State Railways, the portion of the Line from Bhojupur to Kathgodam is the property of the Company.

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward - -							18,146,473	18	5
DISBURSEMENTS—*continued*.									
EXPENDITURE NOT CHARGED TO REVENUE:									
CAPITAL OUTLAY ON RAILWAYS AND IRRIGATION WORKS:									
STATE RAILWAYS:									
Stores for India - - - - - -	1,236,500	4	11						
Salary and expenses of Consulting Engineer and Staff; pay and passage of Officers on appointment, &c. - -	11,374	2	6						
				1,247,874	7	5			
Payments to the Madras Railway Company for the construction of the Azikhal-Mangalore Railway - - -				53,899	5	6			
				1,301,773	12	11			
IRRIGATION WORKS:									
Stores for India - - - - - - - - -				3,809	3	3			
							1,305,582	16	2
PAYMENTS TO RAILWAY COMPANIES ON CAPITAL ACCOUNT*:									
FOR DISCHARGE OF DEBENTURES, &C.:									
State:									
Bengal-Nagpur Railway - - - -				925	–	–			
Guaranteed:									
Bombay Baroda and Central India Railway -	78,275	–	–						
Madras Railway - -	800	–	–						
				79,075	–	–			
							80,000	–	–
ON ACCOUNT OF STORES, ESTABLISHMENT CHARGES, &C.:									
State:									
Assam-Bengal Railway -	83,629	5	8						
†Bengal Central Railway -	3,243	8	9						
Bengal-Nagpur Railway -	571,782	4	11						
Burma Railways - -	85,191	8	7						
Indian Midland Railway -	5,028	18	–						
‡Rohilkund and Kumaon Railway - - -	19,791	7	4						
Southern Mahratta Railway	69,045	19	7						
				837,712	12	10			
Guaranteed:									
Bombay Baroda and Central India Railway - -	232,561	19	6						
Madras Railway - -	205,940	19	10						
				438,502	19	4			
							1,276,215	12	2
									1,356,215	12	2
Carried forward - £							20 808,272	6	9

* Receipts from, and Advances to, the East Indian, the South Indian, the Great Indian Peninsula, and the Bengal and North-Western Railway Companies, and Advances to the Bombay Baroda and Central India Railway Company on account of the Rajputana Malwa Railway, are treated as Remittances.

† *See* note on page 13.

‡ *See* note on page 18.

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury

			£ s. d.
		Brought forward - - -	6,521,489 18 10
RECEIPTS—*continued.*			
DEBT:			
PERMANENT DEBT INCURRED:			
India 3 per Cent. Stock—Loan issued:			
Created under Act 1 Edward VII, Ch. 25, for discharge of 600,000*l.* Great Indian Peninsula Railway Debentures -	£ s. d. 608,147 3 4		
Created for discharge of India Bills - - - - -	891,852 16 8		
		1,500,000 – –	
TEMPORARY DEBT INCURRED:			
Temporary Loans on security of India Bills - - - -		2,000,000 – –	
			3,500,000 – –
DEPOSITS AND ADVANCES:			
REPAYMENT OF ADVANCES - - - - - -		49,532 19 11	
MISCELLANEOUS DEPOSITS:			
Gold Reserve Fund:			
Net sale proceeds of Gold received from India - - - - - - - - -	£ s. d. 259,575 8 7		
Sum remitted to this country by means of Bills of Exchange and Telegraphic Transfers on India - - - - -	2,200,000 – –		
Dividends on Investments - - -	106,613 11 7		
		2,566,189 – 2	
			2,615,722 – 1
		Carried forward - - £	12,637,211 18 11

of the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

		Brought forward - - -	£ s. d. 20,808,272 6 9
	DISBURSEMENTS—*continued*.		
DEBT:			
PERMANENT DEBT DISCHARGED:			
Great Indian Peninsula Railway Debentures - - - - -	£ s. d. 600,000 – –		
India 3½ per Cent. Stock, purchased with East Indian, Eastern Bengal, and Scinde Punjab and Delhi Railway Sinking Funds, and Discount Sinking Funds (*see* pages 12 and 13 respectively)	—		
		600,000 – –	
TEMPORARY DEBT DISCHARGED:			
Temporary Loans on security of India Bills - - - - -		3,500,000 – –	
			4,100,000 – –
DEPOSITS AND ADVANCES:			
ADVANCES REPAYABLE - - - - - - - -		214,373 6 6	
MISCELLANEOUS DEPOSITS:			
Gold Reserve Fund: Investment of Receipts in the purchase of—			
£ s. d.		£ s. d.	
1,991,196 6 10	2½ per Cent. Consolidated Stock - -	1,728,398 19 5	
322,895 19 10	National War Loan 2¾ per Cent. Stock -	314,790 – 9	
330,223 11 10	Local Loans 3 per Cent. Stock - - -	323,000 – –	
209,593 18 6	Transvaal Government 3 per Cent Guaranteed Stock - -	200,000 – –	
		2,566,189 – 2	
Portion of outstanding Interest of the Great Indian Peninsula Railway Company, repaid by the Company on the purchase of its Undertaking by the State, claimed during the year by the persons entitled thereto -		300 7 11	
			2,566,489 8 1
			2,780,862 14 7
		Carried forward - - £	27,689,135 1 4

No. 1.—ACCOUNT of the Receipts and Disbursements of the Home Treasury of

	£	s.	d.	£	s.	d.
Brought forward - - -				12,637,211	18	11
RECEIPTS—*continued.*						
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:						
Repayments by His Majesty's Treasury and other Public Departments, in respect of—						
China Expeditionary Force :—						
Expenditure incurred in India in connection therewith - - -	208,088	4	1			
Balances of Field Examiner's accounts	577	8	8			
				208,665	12	9
Disbursements in India in connection with the War in South Africa - - - - - - - - - - -				719,766	15	10
Expenditure incurred in India in connection with the Somaliland *Expedition* - - - - - - - - -				1,243,345	5	8
Postal and Money Order transactions (receipts in excess of payments) - - - - - - - - - -				93,331	14	6
Advances in India on account of the Emigration of Coolies, and supplies to His Majesty's Ships on the East India Station -				101,789	9	2
Pensions paid in India to Out-pensioners of Chelsea Hospital, &c. - - - - - - - - - -				25,365	15	9
Expenses incurred in India in connection with the enlistment of Natives of India for service in the Colonies - - -				4,373	10	–
Expenses incurred in connection with the despatch of Indian Native Troops to the Mauritius - - - - -				19,135	7	8
Remittances paid in India *on* behalf of Officers and men of the Asiatic Artillery at Hong Kong and Singapore - - -				10,390	17	5
Miscellaneous advances made in India - - - - -				219,167	4	7
				2,645,331	13	4
Estates remitted from India by Administrators General by means of Bills on London - - - - - - - - -				32,885	9	2
East Indian Railway Company : Transfer fees and miscellaneous refunds - - - - - - - - - - -				1,909	2	5
Rajputana-Malwa Railway : Miscellaneous refunds - - -				440	11	–
South Indian Railway Company : Transfer fees and miscellaneous refunds - - - - - - - - - - -				1,016	18	5
Bengal and North-Western Railway Company : ditto - - -				961	6	9
Great Indian Peninsula Railway Company : ditto - - -				12,974	6	9
Miscellaneous receipts - - - - - - - -				22,632	14	9
Gold received from India : net sale proceeds. (*See also* Gold Reserve Fund under "Miscellaneous Deposits") - - -				3,997,128	-	8
Bills of Exchange and Telegraphic Transfers on India - - - - - - - -	£ 23,859,302	s. 19	d. 7			
Less—Appropriated to Gold Reserve Fund under "Miscellaneous Deposits"	2,200,000	–	–			
				21,659,302	19	7
						28,374,583 2 10
				£		41,011,795 1 9

India Office, 12 October 1904.

I certify that this Account has been examined under my directions ; and that,

India Audit Office, 9 May 1905.

For Statement showing new or increased salaries or pensions granted or created within the

the Government of *India*, from 1st April 1903 to 31st March 1904—*continued*.

	£	s.	d.	£	s.	d.
Brought forward - - -				27,689,135	1	4
DISBURSEMENTS—*continued*.						
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:						
Payments to His Majesty's Treasury and other Public Departments, on account of						
Somaliland Expedition: Balances of Field Examiner's accounts - - - - - - - - - -	246	14	11			
Little Basses Light Vessel Dues - - - - -	4,616	16	2			
Balances of Shipping Masters' accounts - - - -	1,790	10	–			
Refund of portion of sum received in 1901-02, for raising and training five new Indian Native Infantry Regiments to replace those employed at Colonial Garrisons - - -	7,338	6	8			
Refund of portion of sum received in 1902-03 in respect of Expenditure brought to account in India in connection with the visit of Indian Native Troops, on the occasion of His Majesty's Coronation - - - - - - - -	2,306	5	–			
Miscellaneous - - - - - - - - - -	4,077	1	5			
	20,375	14	2			
Family and Miscellaneous Remittances - - - - -	48,457	2	8			
Remittances by Administrators General - - - - -	31,833	7	1			
East Indian Railway Company: Advances for purchase of Stores, &c. - - - - - - - - - - -	595,803	6	8			
Rajputana-Malwa Railway: ditto - - - - - -	154,658	1	7			
South Indian Railway Company: ditto - - - - -	123,327	15	3			
Bengal and North-Western Railway Company: ditto - -	148,082	2	6			
Great Indian Peninsula Railway Company: ditto - - -	554,520	15	4			
Stores chargeable to Provincial and Local Funds and to Native States - - - - - - - - - - - -	222,123	13	2			
Bills drawn by the Mission to the Court of Persia, in respect of advances made on Indian account - - - - - -	64,000	–	–			
Pay and Pensions chargeable to Native States, Local Funds, &c.	6,074	11	11			
Miscellaneous payments to be brought to charge or recovered in India - - - - - - - - - - - -	3,294	14	11			
Purchase of Silver - - - - - - - - - -	4,055,326	11	9			
				6,027,877	17	–
TOTAL DISBURSEMENTS - - - £				33,717,012	18	4
BALANCE on the 31st March 1904, including Sums in the hands of Sub-Accountants				7,294,782	3	5
			£	41,011,795	1	9

Arthur Guillum Scott, Accountant-General.

subject to the observations contained in the annexed Report, it is correct.

Frederick C. Holiday, Auditor.

year 1903-04, *see* pages 56 and 57 of the Home Accounts presented in May 1904, No. 171.

No. 2.

REPORT of the AUDITOR upon the INDIAN HOME ACCOUNTS, from 1st April 1903 to 31st March 1904; prepared and submitted to Parliament and to the Secretary of State in Council in pursuance of 52nd section of the Government of India Act, 1858.

1. THE several sums which were stated in my Report on the Account for 1902–03 to be surcharged or disallowed have been adjusted with the exception of the following items; those marked with a *, though now actually recovered or adjusted, were outstanding on 31st March 1904.

	£	s.	d.	£	s.	d.		£	s.	d.	
Surcharge	*583	3	–	1,228	12	0	-	-		-	*See* paragraph 1.
Ditto	645	9	–								
Ditto	-	-	-	*956	4	1	part of	1,414	9	5	
Ditto	-	-	-	*2,073	16	6					
Ditto	-	-	-	1	2	–	,,	12	15	–	
Disallowance		-	-	*89	13	2					
Ditto	-	-	-	*11	13	11	,,	19	10	4	
Ditto	-	-	-	*83	10	6	,,	307	8	9	*See* paragraph 26.
Ditto	-	-	-	*2,159	4	–					
Ditto	-	-	-	52	10	–	,,	382	8	4	
Ditto	-	-	-	*219	19	11	,,	302	17	11	
Ditto	-	-	-	3,123	–	–	,,	3,945	6	10	

2. In regard to certain outstanding short credits and overpayments on account of the year 1902–03, which were in dispute, or of which the amounts could not be stated at the date of my Report for that year, the following sums, aggregating 14,436*l.* 14*s.* 10*d.*, have now been admitted, but as they had not been received within the period of this Account they are included among the surcharges, viz. :—

£	s.	d.	
688	16	3	*See* paragraph 7 of last Report.
10,630	16	3	*See* paragraphs 9 and 21 of last Report.
3	13	11	*See* paragraph 22 of last Report.
3,113	8	5	*See* paragraph 23 of last Report.
£14,436	14	10	

3. Of the balance outstanding on 31st March 1903, viz., 56,464*l.* 13*s.* 1*d.* of advances made to the War Office in 1901-02 for Stores under manufacture in the Ordnance Factories, alluded to in paragraph 3 of my last Report, the sum of 314*l.* 10*s.* 10*d.* remained unadjusted on 31st March 1904.

Of the advances, amounting to 186,000*l.*, made for the same purpose in the year 1902–03, alluded to in paragraph 23 of my last Report, the sum of 17,700*l.* 4*s.* 3*d.* remained unadjusted on 31st March 1904.

4. The objection which I raised to the continued application, for the years 1899–1900 onwards, of the 1898–99 passage rates for Imperial passengers conveyed in Indian transports (referred to in paragraph 4 of my last Report) has been sustained, resulting in an increased credit to Indian Revenues of upwards of 5,000*l.*

5. As regards the passages of non-commissioned officers and men brought back from India in the interest of the Imperial Government, by direct communication between the War Office and the Commander-in-Chief in India (*see* paragraph 5 of my last Report), no adjustments have yet been made, but it has been arranged that the question shall be referred to an Inter-Departmental Committee.

6. The outstanding questions connected with the Indo-Colonial reliefs (*see* paragraph 6 of my last Report) have now been fully placed before the War Office, and it has been agreed to refer the whole matter to the Inter-Departmental Committee alluded to in the previous paragraph.

7. No further adjustments have been made during 1903-04 in respect of—

(*a*) The cost of conveyance in connection with the formation of new units (*see* paragraph 9 of my last Report); or

(*b*) The voyage pay of officers on the same account (*see* paragraph 7 of my last Report); or

(*c*) the cost of passages due to other transfers in the interests of the War Office during the years 1899–1900 to 1901–02;

but as regards (*a*) and (*c*), the questions I raised have resulted in a claim being preferred on the War Office for upwards of 18,000*l*., which is still outstanding; and

as regards (*b*), the sum of 688*l*. 16*s*. 3*d*. has since been received in final settlement of the claim for pay. A further question, however, remains to be adjusted in respect of the travelling expenses of such officers in India to the port of embarkation. The Government of India has been instructed to raise the necessary claims, which are in course of adjustment.

8. The adjustments consequent on the decision of the questions, referred to arbitration, between the Indo-European Telegraph Company and the other parties to the Joint Purse Agreement (*see* paragraph 12 of my last Report) have now been made, up to and for 1902-03, those for 1903–04 being in course of settlement.

9. The sums of 7,187*l*. 17*s*. 5*d*. and 49*l*. 12*s*. 2*d*. paid to the Admiralty (*see* paragraphs 17 and 24 of my last Report), which were passed subject to adjustment, have now been accounted for and vouched.

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10. I now proceed to deal with the Accounts for 1903–04, on which I have to make the following observations.

The surcharges and disallowances outstanding at the close of the year are shown in the summary at the end of this Report, paragraph 31.

RECEIPTS.

Marine:

11. Sum received from the Admiralty for torpedo boat defence vessels - - - - - - - - £21,000 – –

In my last Report I mentioned (paragraph 15) that the subsidy to the Admiralty for manning and maintaining Indian Government Defence Vessels for 1902–03, though subject to abatement in respect of certain vessels paid off during that year, had been paid in full, and that the amount, 61,600*l*., could therefore only be passed as subject to adjustment.

No such adjustment has yet been made, although the service was finally closed in July 1903. The amount overpaid for 1902–03 was 7,891*l*., whilst the proportion of the subsidy payable in respect of 1903–04 is 4,002*l*., and the difference between these two amounts, viz., 3,889*l*., must be surcharged on the present Account.

Medical:

12. Pay, pensions, &c., of lunatics at the Coton Hill Hospital, Stafford; at the Royal Naval Hospital, Yarmouth; and at Broadmoor Asylum, appropriated to their maintenance - £1,350 14*s*. 11*d*.

The sum of 41*l*. 6*s*. 1*d*., recoverable from the Peninsular and Oriental Steam Navigation Co. in respect of the return passage of a plague doctor (paid for but not utilized) must be surcharged.

Army—Effective:

13. Indian Troop Service: Receipts from the Admiralty, recoveries on account of messing, &c. - - - - £12,191 – 2*d*.

The above amount includes 2,500*l*., an advance on account, for the extra cost of the voyage of the "Assaye" *viâ* the Cape in the interest of the Imperial Government, the adjustment of which will appear in a subsequent Account.

I have raised queries with a view to the recovery of the cost of passages chargeable to the Imperial Government, amounting to 5,955*l*. 4*s*. 9*d*., which must be surcharged.

There are some further small sums involved, the exact amount of which cannot at present be stated.

Remittance Account between England and India :

14. Repayments by His Majesty's Treasury and other Public Departments in respect of miscellaneous advances made in India - - - - - - - £219,167 4*s.* 7*d.*

This amount includes the sum of 20,404*l.* 15*s.* 9*d.* in adjustment of the long outstanding claim for the estimated value of buildings and stores, the property of the Government of India, on the transfer of the Somali Coast Protectorate to the Imperial Government on 1st October 1898.

I raised a question as to the non-recovery of expenditure incurred in the despatch to England in January 1902, at the request of the War Office, of certain captured Chinese Ordnance. The amount, 298*l.* 9*s.* 2*d.*, not having been received in the year under review, must be surcharged.

DISBURSEMENTS.

Post Office :

15. Payments under the Postal arrangement with the Lords of His Majesty's Treasury - - - - - - - £52,000 – –

This amount has been paid, as in previous years, subject to adjustment. The adjustment Account to which I referred in my last Report (paragraph 11), as in course of preparation, has been received and the amount payable by India has been determined, but the balance due to the Treasury was not paid within the year under review.

Marine :

16. Stores for India (including 97,793*l.* 15*s.* 0*d.* on account of the cost of the R.I.M.S. "Dufferin") - - - - £179,400 7*s.* 3*d.*

A payment to the Admiralty of 5,575*l.* 7*s.* 2*d.* (included in this amount), which has not yet beeen accounted for or vouched, must be treated as an advance subject to adjustment.

Stationery and Printing :

17. Stationery, printing, and bookbinding, for the India Office, &c. - - - - - - - - - - - - £9,757 – –

The sum of 13*l.* 8*s.*, incurred for printing in connection with the China and Somaliland Expedition, and not recovered from the Imperial Government within the year, must be disallowed.

Army—Effective :

18. Payments to the Imperial Government on account of Disbursements by the War Office in respect of His Majesty's British Forces serving in India :—

For the year 1903–04 - - -	£750,000	–	–	
Deferred pay for the training period, of men enlisted before 1st April 1898 -	38,000	–	–	
Adjustments through War Office Miscellaneous Accounts - - - -	1,206	8	2	
	£789,206	8	2	
Less—Refund of overpayments :—				
For the year 1901–02 £72,287 – –				
For the year 1902–03 90,204 9 9				
	£162,491	9	9	
	626,714	18	5	
Add—Refund in respect of advance from the Imperial Government in 1901–02 towards special bounties granted to British Soldiers in India for extension of their service with the colours -	394	10	–	
				£627,109 8*s.* 5*d.*

The advance for 1903-04 will be dealt with on its adjustment in a subsequent Account.

The 38,000*l.* is the balance of the sum agreed upon to extinguish India's liability for Deferred Pay during the training period.—*See* paragraph 19 of my last Report.

19. I have now to report on the Accounts for the two years which are adjusted in the present Account :—

1901-02. This is represented by an advance of - -		£605,000 - -
Less—The refund shown in the previous paragraph -		72,287 - -
Leaving a Balance of - - - - -		£532,713 - -
Viz., a capitation rate of 7*l.* 10*s.* on an average Establishment of the Imperial Force in India, calculated on the established strength of the Units actually in India, 63,676 officers and men - - - - - - - -		£477,570 - -
Add—Deferred Pay, proportion chargeable to India - -	£47,263 - -	
Add—Gratuities on death, discharge, &c. under Articles 1123, 1124 and 1124A of Pay Warrant 1900—viz., 25 per cent of the whole - -	7,880 - -	
		55,143 - -
		£532,713 - -
20. 1902-03. This is represented by an advance of - - -		£852,000 - -
Less—The refund shown in paragraph 18 - -		90,204 9 9
		£761,795 10 3
Viz., a capitation rate of 7*l.* 10*s.* on an average Establishment of the Imperial Force in India, calculated on the established strength of the Units actually in India, 68,732 officers and men - - - - - - - -		£515,490 - -
Add—Deferred Pay, proportion chargeable to India - -	£225,316 4 7	
Add—Gratuities on death, discharge, &c. under Articles 1123, 1124, and 1124A of Pay Warrant 1900—viz., 27 per cent. of the whole - -	20,989 5 8	
		246,305 10 3
		£761,795 10 3

21. Owing to the dislocation caused by the South African War, and the consequent abnormal fluctuations in the Indian Establishment (particularly in the year 1902-03, when the troops were returning to India), it has been difficult either (*a*) to make an effective comparison between the actual strength maintained, and the Establishment on which the capitation payment is based; or (*b*) to define precisely the course of reliefs between particular units, as affecting the method of calculating the Indian liability.

As regards (*a*), I am, however, satisfied that the Establishment on which the War Office claim has been made, was fairly maintained.

As regards (*b*), I raised queries on the Account for 1902-03 which, after correspondence between the two Departments, and the acceptance in some respects of the War Office method of calculation, resulted in the admission of an overpayment of 1,320*l.*, which, not having been adjusted within the year, must be disallowed.

22. As regards the charge for Deferred Pay—1901-02. The sum of 47,263*l.* is arrived at as follows :—

Amount recorded in War Office books as payments in 1901-02 - - - - - - - -	£47,710	
Estimated charge for training period, pending extinction of India's liability by a lump sum payment - - - - - - - - -	3,000	
	£50,710	
Deduct—British Deferred Pay issued by Indian Government - - - - -	3,447	
		£47,263

23. 1902–03.—The sum of 225,316*l.* is arrived at as follows:—

Amount recorded in War Office books as payments made in 1902–03		£231,109
Deduct—British Deferred Pay issued by Indian Government	£5,672	
Refund in respect of Auditor's objections, 1899–1900	58	
Refund in respect of Auditor's objections, 1900–01	63	
		5,793
		£225,316

24. I have made a test audit of the principal sums by examining the accounts of the Paymasters at some of the chief Depôts, and I have raised queries amounting to 99*l.* 18*s.* for 1901–02, and 698*l.* 16*s.* 8*d.* for 1902–03, which, pending adjustment or explanation, must be disallowed.

25. With reference to the sum of 394*l.* 10*s.* repaid to the War Office as the unexpended balance of an Advance of 220,000*l.* towards special Bounties granted to British soldiers in India for extension of service with the colours, I have to observe that revised lists received from India show further payments, a moiety of which, amounting to 331*l.* 5*s.*, was chargeable against the advance, and must consequently be disallowed in respect of the above refund.

26. Indian Troop Service - - - - - - - - £360,038 15*s.* 3*d.*

The above amount includes a sum of 20,000*l.* paid to the War Office as an Advance on account, in respect of the conveyance in Imperial transports of troops returning to India from South Africa, and of others from Bombay to England, for which Indian Revenues are liable.

I have raised queries in regard to passages which appear to be Imperial liabilities, amounting to 639*l.* 17*s.* 2*d.*, which must be disallowed.

27. Stores for India: Clothing - - - - - - £238,955 17*s.* 11*d.*

The above amount includes an Advance to the War Office of 19,000*l.* in respect of Clothing taken to India with troops, paid subject to future adjustment.

Overpayments amounting to 692*l.* 14*s.* 10*d.* must be disallowed.

28. Stores for India: Ordnance and Miscellaneous - - £795,670 – 10*d.*

The above amount includes the following advances to the War Office paid subject to future adjustment, viz., 87,000*l.* on account of Stores under manufacture, of which 72,807*l.* 15*s.* 5*d.* remained unaccounted for on 31st March 1904, and 39,000*l.* on account of Arms, &c., taken to India with troops.

An overpayment of 5*s.* 6*d.* must be disallowed.

Army—Non-Effective:

29. Payments to the Imperial Government on account of Retired Pay, Pensions, &c., of His Majesty's British Forces, for service in India:—

For the year 1903–04	£647,350	
Further payments for the year 1902–03	12,545	
		£659,895

The sum of 647,350*l.* is an advance subject to adjustment. By adding the further payment of 12,545*l.* to the advance of 623,400*l.* made in the preceding year, the actual payment for 1902–03 is arrived at—viz., 635,945*l.*, which is certified to be the net charge against India in that year for Retired Pay and Pensions granted since 1st April 1884, payable by the Imperial Exchequer.

Remittance Account between England and India:

30. Payments to His Majesty's Treasury and other Public Departments, on account of Refund of portion of sum received in 1901–02 for raising and training five new Indian Native Infantry Regiments to replace those employed at Colonial Garrisons - - - - - - - - - - - - £7,338 6*s.* 8*d.*

This refund is in final adjustment of the initial cost incurred in connection with these regiments. As regards the recurring charges, it is proposed that these shall in future be recovered from the War Office by means of a Capitation rate, and an Inter-Departmental Committee has been appointed to deal with the question.

31. The following is a list of the Surcharges and Disallowances on the Account for the year 1903–04 :—

Description and Amount of item in the Account.	£. s. d.	Surcharge. £. s. d.	Disallowance. £ s. d.
RECEIPTS :—			
Marine:			
Sums received from the Admiralty for Torpedo Boat Defence Vessels	21,000 – –	3,889 – –	
Medical	1,350 14 11	41 6 1	
Army—Effective:			
Value of Clothing, Accoutrements, &c., in possession of Regiments on transfer to the British Establishment:			
Clothing and necessaries	47,546 18 10	48 4 9	
Ordnance and Miscellaneous	112,027 19 9	240 10 6	
Indian Troop Service: Receipts from the Admiralty, recoveries on account of Messing, &c.	12,191 – 2	5,955 4 9	
Passage of Officers and Troops: Recoveries on account of Messing	162 2 –	33 5 –	
Remittance Account between England and India:			
Repayments by H.M.'s Treasury, &c.:			
Miscellaneous Advances made in India	219,167 4 7	298 9 2	
DISBURSEMENTS :—			
General Administration—England:			
Store Department: Wages of Artificers, &c.	26,269 18 3		– 7 1
Office Contingencies, &c.	16,734 – –		1 13 5
Superannuation Allowances and Pensions:			
Uncovenanted Service of India	390,222 12 1		2 17 9
Annuities in respect of Funds—Bengal Civil Service Annuity Fund	350,673 13 –		2 1 –
Stationery and Printing:			
Stationery, Printing and Bookbinding for the India Office, &c.	9,757 – –		13 8 –
Miscellaneous:			
Miscellaneous Charges connected with the Supply of Stores to India: Commission on Freight, &c.	6,859 12 4		3 12 3
Army—Effective:			
Payment to Imperial Government	627,109 8 5		1,320 – – 99 18 – 698 16 8 331 5 –
Furlough Allowances of Officers of the Indian Service	261,114 19 5		50 15 1
" " and men of British Regiments	119,312 16 2		141 15 –
Indian Troop Service	360,038 15 3		639 17 2
Passage of Officers and Troops not charged to Indian Troop Service	10,466 18 8		82 – –
Military Officers under technical instruction	3,639 – 1		135 2 7
Pay and expenses of Artificers for Government Factories in India, &c.	4,465 11 6		– 5 –
Stores for India: Clothing	238,955 17 11		692 14 10
" " Ordnance and Miscellaneous	795,670 – 10		– 5 6
Expenditure not charged to Revenue—Capital Outlay on Railways, &c.:			
State Railways:			
Salary and Expenses of Consulting Engineer and Staff, &c.	11,374 2 6		1 10 –
	£	10,506 – 3	4,218 4 4

32. To the Balance, as shown in the present Account, the following sums must be added :—

	£. s. d.	£ s. d.
		7,294,782 3 5
Surcharges on previous Account	18,696 9 5	
Ditto present Account	10,506 – 3	
Disallowances on previous Account	5,739 11 6	
Ditto present Account	4,218 4 4	
		39,160 5 6
		£7,333,942 8 11

India Audit Office,
9 May 1905.

Frederick C. Holiday, Auditor.

No. 3.

REPORT of the AUDITOR of the INDIAN HOME ACCOUNTS on the STORES ACCOUNTS from 1st April 1903 to 31st March 1904; prepared, and submitted to Parliament and to the Secretary of State in Council, in pursuance of 52nd Section of the Government of India Act, 1858.

1. As regards the packing accounts reported last year as not having been returned, 5 have since been received in respect of the year 1901–02, and 83 in respect of the year 1902–03; leaving 96 and 50, respectively, to be accounted for.

2. The number of packing accounts sent to India in 1903–04 was 5,495, of which 45 were not returned.

3. A claim against the owners of the "Afghanistan," which was wrecked through negligent navigation, a risk covered by the India Office Bills of Lading, has not yet been settled.

4. A few questions raised in connection with these Accounts have not yet been answered.

India Audit Office,
9 May 1905.

Frederick C. Holiday, Auditor.

No. 4.

SUMMARY of PAYMENTS in the Year 1903-04 for Stores procured for Shipment to India, &c.

	Stores.			Freight.			TOTAL.		
	£	s.	d.	£	s.	d.	£	s.	d.
Expenditure charged against Revenue :									
Land Revenue	310	8	8	5	8	1	315	16	9
Opium	3,391	17	10	208	1	8	3,599	19	6
Salt	2,060	18	10	72	13	3	2,133	12	1
Stamps	41,879	8	8	341	10	11	42,220	19	7
Excise	32	18	10	–	5	8	33	4	6
Customs	125	–	8	3	3	–	128	3	8
Forest	1,217	3	5	42	16	6	1,259	19	11
Post Office	50,771	10	10	1,327	14	10	52,099	5	8
Telegraph :									
Telegraph Lines in India	162,028	15	1	6,695	6	6	168,724	1	7
* Indo-European Telegraph	14,785	13	1	1,146	6	–	15,931	19	1
Mint	7,392	15	8	610	10	4	8,003	6	–
General Administration	39,186	4	5	296	4	4	39,482	8	9
Law and Justice	81	2	10	1	7	7	82	10	5
Marine :									
Coal	5,248	14	7	5,673	16	7	179,400	7	3
Miscellaneous	165,941	9	2	2,536	6	11			
Political	150	8	7	3	19	5	154	8	–
Scientific and other Minor Departments	23,055	8	10	309	7	2	23,364	16	–
Stationery and Printing	78,083	15	–	2,025	8	9	80,109	3	9
Famine Relief and Insurance	128	14	–	—			128	14	–
Irrigation : Minor Works and Navigation	2,015	9	6	134	10	11	2,150	–	5
Other Public Works :									
Military Works	49,187	5	8	3,786	5	2	52,973	10	10
Civil Works and Miscellaneous Services	6,317	12	2	269	17	9	6,587	9	11
Army :									
Clothing	186,533	7	6	1,303	12	3	238,955	17	11
Ditto, taken to India with Troops	51,118	18	2	—					
Ordnance and Miscellaneous	740,385	7	9	14,473	3	8	795,670	–	10
Ditto, Arms, &c. taken to India with Troops	40,811	9	5	—					
Medical	52,887	18	9	1,256	19	10	54,144	18	7
Supply and Transport Corps	84,022	4	6	1,306	15	–	85,328	19	6
Special Defence Works (1902)	4,777	14	–	583	14	1	5,361	8	1
£	1,813,929	16	5	44,415	6	2	1,858,345	2	7
Expenditure not charged to Revenue :									
State Railways	1,163,678	18	3	72,821	6	8	1,236,500	4	11
Irrigation Works	3,577	13	1	231	10	2	3,809	3	3
Remittance Account :									
Stores chargeable to Provincial and Local Funds and to Native States :									
Railway Stores	10,318	10	8	472	2	11	222,123	13	2
Other Stores	200,881	5	4	10,451	14	3			
TOTAL £	3,192,386	3	9	128,392	–	2	3,320,778	3	11

* In Statement No. 4 of the Finance and Revenue Accounts, the payments for Stores under this head are included among "Other Charges."

No. 5.

STATEMENT of the NET EXPENDITURE and RECEIPTS on account of the ROYAL INDIAN ENGINEERING COLLEGE, during the Year ended 31st March 1904.

	£	s.	d.	£	s.	d.
NET EXPENDITURE :						
Salaries and Allowances of President, Professors, Lecturers, Examiners, Chaplain, &c. -				9,461	6	6
Steward's Salary, Wages of Servants, Expenses of Laundry, &c. - - - - -				3,340	2	7
Rates and Taxes, Maintenance of Buildings, Repairs of Furniture, &c. - - - -				3,072	4	7
Lights, Fuel, and other House Articles - - - - - - - - - -				1,508	1	7
Provisions, Wines, &c. - - - - - - - - - - - - - -				3,586	16	3
Advertisements, Postage, Travelling Expenses, &c. - - - - - - - -				348	4	6
Library, Laboratory, Workshops, &c., Expenses of Students visiting Works and Forests, Continental Tour of Forest Students, &c. - - - - - - - -				1,861	9	–
Garden, Farm, and Dairy - - - - - - - - - - - - -				*—139*	*10*	*3*
EXPENDITURE :						
Salaries of President, Professors, &c.; Wages of Servants; Provisions and Contingent Expenses; and Continental Tour of Forest Students (page 15) - - - - - - - - - -	27,771	7	–			
Less,—				23,038	14	9
Receipts for testing-work done in the Laboratories; and Sale Proceeds of Provisions, Farm Produce, &c. (page 4) - -	4,732	12	3			
RECEIPTS :						
Fees and Caution Money received from Students (page 4) - - -	21,439	–	–			
Less,—				21,199	–	–
Refund of Caution Money (page 15) - - - - -	240	–	–			
Net Expenditure, excluding Interest on Capital Outlay			£	1,839	14	9

Cost of alterations and additions to the College Buildings, &c. (page 15) - - £3.257 13 3

Arthur Guillum Scott, Accountant-General.

No. 6.

ACCOUNT of the CHARGES and RECEIPTS in respect of the INDIAN TROOP SERVICE from 1st April 1903 to 31st March 1904.

			£ s. d.
1. Capital Charges of the Service			—
2. Salaries of Establishments in England and India			4,031 2 2
3. Hire and Fittings of Transports			151,724 10 9
4. Coal			40,567 3 10
5. Mess of Officers			11,040 13 6
6. Provisions and Stores for Troops and Horses			46,552 1 8
7. Miscellaneous Charges			8,946 13 1
8. Suez Canal Transit Charges			59,698 16 5
9. Miscellaneous Expenses			1,771 14 8
10. Conveyance in other than Hired Transports.		£ s. d.	
	Troops on Freight, &c. :— "Egypt," "Olympia," "Circassia," "India," "Sunda," "Malacca," "Persia," "Caledonia," and "Somali," &c.	20,400 1 1	
	Royal Indian Marine Ships :— "Hardinge": Provisions, &c.	119 14 7	
	Imperial Transports :— Troops conveyed on Indian Service	20,561 4 8	
	Miscellaneous	125 7 6	
			41,206 7 10
11. Repayments on Account of Passages			— *31 14* —
			365,507 9 11
Deduct— Receipts from the Imperial Government for employment of the Hired Transports, and for Passages of Officers, &c., on Imperial Service		9,358 17 5	
Recoveries on account of the Messing of Officers, &c., and Victualling of not-entitled 3rd Class Passengers, and for Rum Rations issued to Troops		1,793 18 5	
Proceeds of Sale of Old and Unserviceable Stores, recoveries for losses or damage of Stores, and for Forage supplied for Officers' Horses		419 5 7	
Amount received for passage of successor to a man who purchased his discharge in India		10 – –	
			11,582 1 5
		£	353,925 8 6

	£ s. d.		
Net Expenditure in England as shown in the Home Accounts :—			
Disbursements (page 17)	360,038 15 3		
Receipts (page 6)	12,191 – 2		
		347,847 15 1	
Net Expenditure in India, as shown in the Finance and Revenue Accounts in rupees :—			
Disbursements (page 209, Rs. 1,01,801)	6,786 13 8		
Receipts (page 202, Rs. 10,645)	709 – 3		
		6,077 13 5	
		£	353,925 8 6

G. T. H. Boyes,
Director of Transports.

Admiralty, 28th November 1904.

No. 7. - - - - - - - -

COMPARISON of the ESTIMATED and ACTUAL RECEIPTS and DISBURSEMENTS

RECEIPTS.	1903-04. Budget Estimate, March 1903.	1903-04. Account.	Increase.	Decrease.	
REVENUE:					
INTEREST:	£	£	£	£	
* Interest realised from investment of Cash Balance, &c. - - -	30,000	141,788	111,788	—	1
TELEGRAPH:					
Indo-European Telegraph: Message Revenue - - - - - - - - - -	11,100	5,891	—	5,209	2
* Miscellaneous Receipts - - - - - - - - - -	—	652	652	—	3
MINT:					
Proceeds of sale of Indian Coins, &c. sent to this country for assay	—	49	49	—	4
MARINE:					
Sum received from the Admiralty for Torpedo Boat Defence Vessels	—	21,000	21,000	—	5
MEDICAL:					
Pensions, &c., of Lunatics appropriated to their maintenance -	1,400	1,351	—	49	6
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Sale proceeds of books, maps, &c. - - - - - - - - -	400	725	325	—	7
RECEIPTS IN AID OF SUPERANNUATION ALLOWANCES AND PENSIONS:					
Subscriptions, &c., to the Widows' Funds of the Home Establishment of the East India Company, and in respect of the India Office Provident Fund - - - - - - - - - -	13,400	13,575	175	—	8
Subscriptions in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund - - - - - - - -	58,400	56,940	—	1,460	9
Subscriptions towards Indian Civil Service Family Pensions - -	7,500	7,378	—	122	10
Contributions towards Leave Allowances and Pensions of Civil Officers lent from India for Imperial Service - - - - -	1,300	361	—	939	11
MISCELLANEOUS:					
Miscellaneous receipts connected with the supply of Stores to India, and sundry items - - - - - - - - - -	2,500	13,025	10,525	—	12
RAILWAYS:					
STATE RAILWAYS:					
East Indian Railway: Rent of premises occupied by the Company - - - - - - - - - - - -	200	230	30	—	13
SUBSIDIZED COMPANIES:					
Rohilkund and Kumaon Railway: Government share of Surplus Profits - - - - - - - - - - -	1,000	1,224	224	—	14
Southern Punjab Railway: Ditto, ditto. -	3,000	5,998	2,998	—	15
OTHER PUBLIC WORKS:					
CIVIL WORKS AND MISCELLANEOUS SERVICES:					
Royal Indian Engineering College: Fees from Students, &c. -	27,900	26,171	—	1,729	16
ARMY:					
Effective.					
Contribution by the Imperial Government in respect of Cost of the transport of Troops - - - - - - - -	130,000	130,000	—	—	17
Military Charges for Aden - - - - - - - - -	100,000	100,000	—	—	18
Value of clothing, accoutrements, &c., in possession of Regiments on their transfer from the Indian to the British Establishment; proceeds of sales of unserviceable stores; receipts on account of the Indian Troop Service; recoveries on account of messing, &c.	207,200	172,632	—	34,568	19
Non-effective.					
Subscriptions towards Indian Military Service Family Pensions -	28,000	25,222	—	2,778	20
Contributions towards Pensions of Indian Native soldiers lent for Imperial Service - - - - - - - - - -	32,700	22,532	—	10,168	21
TOTAL RECEIPTS ON ACCOUNT OF REVENUE, carried forward - £	656,000	746,744			

No. 7.

of the HOME TREASURY of the GOVERNMENT of *India*, for the Year 1903-04.

	EXPLANATIONS OF INCREASE OR DECREASE.
1	The sums available for investment were much larger, and the rate of interest obtained was higher, than was estimated.
2	The Budget Estimate included 6,900*l.* as the share of the Indo-European Telegraph Department of the guarantee of Joint Purse Revenue charged under "Telegraph," but nothing was received within the year.
3	Sale proceeds of Cable Core returned to this country.
5	The arrangements under which this sale took place were not concluded when the Budget Estimate was framed.
9	The decrease occurred mainly in the receipts on account of the Military Funds.
11	The sum included in the Budget Estimate, together with a further sum of 1,011*l.*, was actually received in 1902-03; and the sum of 361*l.* only was received on this account in 1903-04.
12	The increase occurred mainly in fines and penalties incurred by Contractors in providing Stores.
15	The surplus profits for the year 1902 were larger than was estimated.
16	The decrease occurred in Fees from Students.
19	There was a decrease of 36,009*l.* in respect of the Indian Troop Service, owing to expected receipts being postponed to 1904-05.
20	These receipts did not increase as much as was estimated.
21	The sum included in the Budget Estimate, together with a further sum of 1,630*l.*, was actually received in 1902-03; and 22,532*l.* only was received on this account in 1903-04, owing to a decrease in the number of Native soldiers lent for Imperial Service.

No. 7.—Comparison of the Estimated and Actual Receipts and Disbursements

RECEIPTS—*continued.*	1903-04. Budget Estimate, March 1903.	1903-04. Account.	Increase.	Decrease.	
	£	£	£	£	
Total Receipts on account of Revenue, brought forward	656,000	746,744			
CAPITAL RECEIPTS FROM RAILWAY COMPANIES:					
On account of Subscribed Capital	4,382,800	—	—	4,382,800	1
On account of Transfer Fees and Miscellaneous Refunds	2,600	6,959	4,359	—	2
	4,385,400	6,959			
DEBT:					
PERMANENT DEBT INCURRED:					
India 3 per Cent. Stock	2,000,000	1,500,000	—	500,000	3
TEMPORARY DEBT INCURRED:					
Temporary Loans on security of India Bills	2,000,000	2,000,000	—	—	4
	4,000,000	3,500,000			
DEPOSITS AND ADVANCES:					
REPAYMENT OF ADVANCES	26,000	49,533	23,533	—	5
MISCELLANEOUS DEPOSITS:					
Gold Reserve Fund:					
Net sale proceeds of Gold received from India	—	259,575	259,575	—	6
Sum remitted by means of Bills of Exchange and Telegraphic Transfers on India	—	2,200,000	2,200,000	—	7
Dividends on Investments	102,700	106,614	3,914	—	8
	128,700	2,615,722			
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:					
Repayments by His Majesty's Treasury and other Public Departments, in respect of					
Expenditure incurred in India in connection with the China Expeditionary Force	400,000	208,666	—	191,334	9
Disbursements in India in connection with the War in South Africa	600,000	719,767	119,767	—	10
Expenditure incurred in India in connection with the Somaliland Expedition	249,000	1,243,345	994,345	—	11
Advances in India on account of Emigration of Coolies, Chelsea Out-pensioners paid in India, Supplies to His Majesty's Ships on the East India Station, &c.	200,000	473,554	273,554	—	12
Estates remitted from India by Administrators General by means of Bills on London	54,000	32,885	—	21,115	13
East Indian Railway Company:					
On account of Debenture Capital	1,250,000	—	—	1,250,000	14
Transfer fees and miscellaneous refunds	1,000	1,909	909	—	15
Rajputana-Malwa Railway: Miscellaneous refunds	—	441	441	—	16
South Indian Railway Company:					
On account of Debenture Capital	350,000	—	—	350,000	17
Transfer fees and miscellaneous refunds	400	1,017	617	—	18
Bengal and North-Western Railway Company: Transfer fees and Miscellaneous refunds	600	961	361	—	19
Great Indian Peninsula Railway Company					
On account of Debenture Capital	450,000	—	—	450,000	20
Transfer fees and miscellaneous refunds	1,000	12,974	11,974	—	21
Miscellaneous receipts	7,000	22,633	15,633	—	22
Gold received from India: net sale proceeds (*see also* Gold Reserve Fund under "Miscellaneous Deposits")	—	3,997,128	3,997,128	—	23
Bills of Exchange and Telegraphic Transfers on India (ditto.)	17,000,000	21,659,303	4,659,303	—	24
	20,563,000	28,374,583			
Total Receipts £	29,733,100	35,244,008			

of the Home Treasury of the Government of *India*, for the Year 1903–04—*continued.*

EXPLANATIONS OF INCREASE OR DECREASE.

1 The decrease is thus accounted for :—

	£	£
Debentures renewed, instead of being replaced by fresh Capital :		
Bengal-Nagpur Railway Company	500,000	
Indian Midland Railway Company	1,582,900	
Southern Mahratta Railway Company	100,000	
Bombay Baroda and Central India Railway Company	871,900	
Madras Railway Company	199,200	
		3,254,000
Receipts on account of Capital less than Estimate :		
Bengal-Nagpur Railway Company	250,000	
Bombay Baroda and Central India Railway Company	578,000	
Madras Railway Company	300,800	
		1,128,800
		£4,382,800

2 The Account includes a large receipt from the Southern Mahratta Railway Company recovered from Underwriters for Stores lost in transit to India, and other exceptional receipts.

3 It was decided in June 1903 to issue only 1,500,000*l.* Stock.

6, 7, 8 } *See* corresponding investment on the Payment side. The increase in dividends is due to the investment of additional remittances.

9 The Budget Estimate was based on information received from the Government of India.
10 Due to prolonged detention of Boer prisoners in India.

11 Owing to prolongation of operations.

12 The Account includes an item of 93,332*l.* on account of Postal and Money Order transactions, which resulted during 1903-04 in a net receipt of that amount instead of the usual payment. There were also increases in all the other accounts included under this head.
13 The amount of these receipts is necessarily very uncertain.

14 It was decided to postpone the issue of further Debenture Stock until 1904–05.

17 The Company did not issue any Capital within the year.
18 Due to recoveries from Underwriters in respect of Stores lost in transit to India.

20 The Company did not issue any Capital within the year.
21 The Account includes 11,642*l.* recovered from Underwriters in respect of stores lost in transit to India.
22 The Account includes a receipt of 7,300*l.* from the Madras Harbour Board in part payment for a dredger, and the remainder of the increase occurred mainly in the sale proceeds of timber.
23 Towards meeting the cost of silver purchased for coinage.
24 As there was a good demand for Council Bills, sales were effected towards meeting the net disbursements in 1904–05.

No. 7.—Comparison of the Estimated and Actual Receipts and Disbursements

DISBURSEMENTS. **EXPENDITURE:**	1903-04. Budget Estimate, March 1903.	1903-04. Account.	Increase.	Decrease.	
	£	£	£	£	
LAND REVENUE:					
Law Charges in connection with Appeals from India	400	92	—	308	1
Stores for India	500	316	—	184	2
OPIUM: Stores for India	2,900	3,600	700	—	3
SALT: Stores for India	100	2,134	2,034	—	4
STAMPS: Stores for India	44,800	42,221	—	2,579	5
EXCISE: Stores for India	—	33	33	—	6
CUSTOMS: Stores for India	100	128	28	—	7
FOREST:					
Expenses in connection with Candidates for the Indian Forest Department, Passage to India on appointment, &c.	1,300	1,225	—	75	8
Stores for India	500	1,260	760	—	9
INTEREST ON DEBT (EXCLUDING THAT CHARGED TO RAILWAYS):					
Interest on Loans contracted in England	2,965,800	2,942,660	—	23,140	10
Discount Sinking Fund, in redemption of debt incurred in excess of money raised	20,800	20,790	—	10	11
Discount on the issue of 1,500,000*l.* India 3 per cent. Stock	—	20,095	20,095	—	12
INTEREST ON OTHER OBLIGATIONS: Interest on Deposits in Regimental Savings Banks of men returned from India	200	3	—	197	13
POST OFFICE:					
Payments under the Postal arrangement with the Lords of His Majesty's Treasury	52,000	52,000	—	—	14
Miscellaneous Payments	—	595	595	—	15
Stores for India	46,500	52,099	5,599	—	16
TELEGRAPH:					
Indo-European Telegraph:					
Payments in respect of Revenue	46,500	33,827	—	12,673	17
Other Payments	26,200	17,726	—	8,474	18
Payment in respect of guarantee of Joint Purse Revenue on reduction of telegraph rates	38,000	—	—	38,000	19
Red Sea and India Telegraph	18,000	18,027	27	—	20
Indian Telegraph Department: Absentee Allowances and contingent expenses	5,100	5,272	172	—	21
Telegraph Lines in India: Stores for India	160,500	168,724	8,224	—	22
MINT:					
Stores for India	5,900	8,003	2,103	—	23
Other Payments	—	93	93	—	24
GENERAL ADMINISTRATION:					
Home Establishment, &c.	232,400	237,742	5,342	—	25
Payments on account of Administration in India	4,300	2,378	—	1,922	26
Stores for India	44,700	39,482	—	5,218	27
LAW AND JUSTICE:					
Stores for India	200	83	—	117	28
Other Payments	500	778	278	—	29
POLICE:					
Passage to India of Assistant Superintendents on appointment, &c.	900	967	67	—	30
MARINE:					
Contribution towards the expenses of His Majesty's Ships employed in the Indian Seas, &c.	100,200	100,023	—	177	31
Subsidy to the Admiralty for manning and maintaining Indian Government Defence Vessels	14,000	—	—	14,000	32
Sundry items	2,000	1,758	—	242	33
Stores for India	138,100	179,401	41,301	—	34
EDUCATION: Allowances to Indian Government Scholars, Passage to India of Educational Officers on appointment, &c.	1,900	3,708	1,808	—	35
ECCLESIASTICAL: Passage to India of Chaplains on appointment	400	936	536	—	36
MEDICAL:					
Maintenance of Lunatics	3,800	3,684	—	116	37
Pay, Passage, &c., of Medical Officers and Lady Nurses in connection with the Plague, &c.	1,300	2,203	903	—	38
POLITICAL:					
Contribution towards the Mission to the Court of Persia, and Minor Consulates	4,100	4,106	6	—	39
Sundry items	1,500	832	—	668	40
Stores for India	200	154	—	46	41
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Stores for India	15,700	23,365	7,665	—	42
Other Payments	18,600	11,159	—	7,441	43
TERRITORIAL AND POLITICAL PENSIONS:					
Members of the Family of the late Maharajah Duleep Singh	9,700	9,692	—	8	44
Members of the Bengal Nizamut Family	1,100	1,151	51	—	45
CIVIL FURLOUGH AND ABSENTEE ALLOWANCES	257,500	238,303	—	19,197	46
SUPERANNUATION ALLOWANCES AND PENSIONS:					
General	534,000	538,274	4,274	—	47
Indian Civil, Military, and Medical Funds, &c.	1,488,000	1,466,257	—	21,743	48
Indian Civil Service Family Pensions	7,900	7,191	—	309	49
Carried forward £	6,318,700	6,264,550			

of the Home Treasury of the Government of *India*, for the Year 1903–04—*continued*.

	EXPLANATIONS OF INCREASE OR DECREASE.
3 4	The demands were larger than was indicated in the estimates received from India.
5	The demands were smaller than was indicated in the estimates received from India.
9	The demands were larger than was indicated in the estimates received from India.
10	There was a decrease of 22,465*l.* in the interest on India 3 per cent. Stock, owing to the Loan being reduced from 2,000,000*l.* to 1,500,000*l.*, and issued at a later date.
12	No discount was inserted in the Budget Estimate.
15	Deputation Allowance of the Deputy Director-General of the Post Office on duty as a member of the Inter-Departmental Committee on the Eastern Mail Service.
16	The demands were larger than was indicated in the estimates received from India.
17	The decrease was partly due to a receipt from the Indo-European Telegraph Company on Joint Purse Account in respect of balances outstanding, and partly to only three quarters' accounts relating to the Australasian Message Fund having been settled within the year.
18	The decrease occurred mainly in the payments for Stores.
19	No payment on account of the guarantee was made within the year, the method of computation being under correspondence.
22 23	The demands were larger than was indicated in the estimates received from India.
25	There was an increase of 2,872*l.* in Salaries, and of 1,870*l.* in Charges of the Store Department.
26	The Budget Estimate included 3,500*l.* for the passage and outfit allowance of the Viceroy and Governor-General of India; whilst, on the other hand, the Account includes 1,000*l.* for the passage and outfit allowance of the Governor of Bombay.
27	The demands were smaller than was indicated in the estimates received from India.
29	The Account includes 328*l.*, the cost of sending a soldier to India for re-trial for unlawful wounding.
32	There will be no further payments in this country under this head, as the expenses of the three torpedo boats, which alone are retained, are defrayed in India.
34	Due to the expenditure on the R.I.M.S. "Dufferin."
35	Mainly owing to Allowances of Educational Officers on special duty.
36	It was estimated that only eight chaplains would go to India, whereas fifteen went out. The Account also includes the passage and outfit allowance of the Bishop of Bombay.
38	Mainly due to Allowances of Medical Officers on special duty.
40	The Budget Estimate included 1,000*l.* for the Subsidy in connection with the Road Concession in Persia, but India has ceased to be responsible for this payment.
42	The demands were larger than was indicated in the estimates received from India.
43	The Budget Estimate included 6,700*l.* in respect of Purchase of Stallions, but the actual expenditure for that service is shown in the Account under "Army—Effective."
46	The decrease occurred in the Absentee Allowances of Civil Officers.
47	The increase occurred in Pensions of Officers of the Uncovenanted Service.
48	There was a decrease of 24,652*l.* under Civil Service Annuity Funds.

No. 7.—Comparison of the Estimated and Actual Receipts and Disbursements

DISBURSEMENTS—*continued.* **Expenditure**—*continued.*	1903-04. Budget Estimate, March 1903.	1903-04. Account.	Increase.	Decrease.	
	£	£	£	£	
Brought forward - - -	6,318,700	6,264,550			
STATIONERY AND PRINTING:					
Stationery, Printing, and Bookbinding, for the India Office, &c. -	7,000	9,757	2,757	—	1
Stores for India - - - - - - - - - - - -	71,000	80,109	9,109	—	2
MISCELLANEOUS:					
Examination Expenses and Allowances of Candidates for the Indian Civil Service, &c. - - - - - - - - - -	9,000	8,535	—	465	3
Miscellaneous Charges connected with the supply of Stores to India	10,000	7,222	—	2,778	4
FAMINE RELIEF AND INSURANCE:					
CONSTRUCTION OF PROTECTIVE RAILWAYS:					
Payments to the Madras Railway Company for the construction of Famine Railways - - - - - - - -	—	21,750	21,750	—	5
CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS:					
Stores for India - - - - - - - - - - -	—	129	129	—	6
Miscellaneous Payments - - - - - - - - -	500	394	—	106	7
RAILWAY REVENUE ACCOUNT:					
STATE RAILWAYS—INTEREST ON DEBT:					
East Indian Railway - - - - - - - - -	290,200	290,185	—	15	8
Eastern Bengal Railway - - - - - - - - -	32,700	32,687	—	13	9
Scinde Punjab and Delhi Railway - - - - - - -	151,400	151,342	—	58	10
Oude and Rohilkund Railway - - - - - - -	322,600	322,567	—	33	11
South Indian Railway - - - - - - - -	146,600	146,635	35	—	12
Great Indian Peninsula Railway - - - - - -	196,900	196,981	81	—	13
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):					
East Indian Railway - - - - - - - - -	1,192,200	1,192,211	11	—	14
Eastern Bengal Railway - - - - - - - - -	122,900	122,908	8	—	15
Scinde Punjab and Delhi Railway - - - - - - -	420,200	420,919	719	—	16
Great Indian Peninsula Railway - - - - - - -	1,268,600	1,268,582	—	18	17
STATE RAILWAYS—INTEREST CHARGEABLE AGAINST COMPANIES ON ADVANCES:					
* Bengal Central Railway - - - - - - - - -	16,300	16,250	—	50	18
Bengal-Nagpur Railway - - - - - - - - -	89,700	89,700	—	—	19
Indian Midland Railway - - - - - - - - -	43,700	43,712	12	—	20
Southern Mahratta Railway - - - - - - - -	69,200	69,222	22	—	21
STATE RAILWAYS—INTEREST ON CAPITAL DEPOSITED BY COMPANIES:					
Assam-Bengal Railway - - - - - - - - -	88,400	88,217	—	183	22
* Bengal Central Railway - - - - - - - - -	17,500	17,500	—	—	23
Bengal-Nagpur Railway - - - - - - - - -	265,600	262,214	—	3,386	24
Burma Railways - - - - - - - - - -	87,500	87,500	—	—	25
East Indian Railway - - - - - - - - -	188,800	170,004	—	18,796	26
Great Indian Peninsula Railway - - - - - - -	84,600	77,250	—	7,350	27
Indian Midland Railway - - - - - - - - -	217,400	218,176	776	—	28
Southern Mahratta Railway - - - - - - - -	207,600	207,568	—	32	29
South Indian Railway - - - - - - - - -	75,600	65,000	—	10,600	30
GUARANTEED COMPANIES—INTEREST - - - - - -	1,046,700	1,032,772	—	13,928	31
IRRIGATION:					
MINOR WORKS AND NAVIGATION: Stores for India - -	1,600	2,150	550	—	32
OTHER PUBLIC WORKS:					
MILITARY WORKS: Stores for India - - - - - - -	17,500	52,974	35,474	—	33
CIVIL WORKS AND MISCELLANEOUS SERVICES:					
Furlough Pay and Allowances of Officers in the Public Works Department - - - - - - - - - - -	57,000	51,183	—	5,817	34
Royal Indian Engineering College - - - - - - -	46,300	31,269	—	15,031	35
Sundry items - - - - - - - - - - -	2,000	2,987	987	—	36
Stores for India - - - - - - - - - - -	3,000	6,587	3,587	—	37
ARMY:					
Effective.					
Payments to War Office in respect of British Forces serving in India - - - - - - - - - - - - -	775,000	627,109	—	147,891	38
Furlough Allowances and Pay during Voyage of British Forces serving in India - - - - - - - - - - -	108,000	141,132	33,132	—	39
Furlough Allowances of Officers of the Indian Service - - -	230,000	261,115	31,115	—	40
Indian Troop Service - - - - - - - - - -	330,100	360,039	29,939	—	41
Passage of Officers and others not charged to Indian Troop Service	19,000	10,467	—	8,533	42
Miscellaneous - - - - - - - - - - - -	27,100	44,818	17,718	—	43
Stores for India - - - - - - - - - - -	1,229,600	1,174,100	—	55,500	44
Non-Effective.					
Payments to War Office for Retired Pay, &c., of British Forces for service in India - - - - - - - - - -	650,000	659,895	9,895	—	45
Pay of Non-effective Colonels of Royal Artillery - - - -	21,000	20,270	—	730	46
Pay and Pensions of Non-effective and Retired Officers of the Indian Service - - - - - - - - - - -	1,570,000	1,580,924	10,924	—	47
Miscellaneous Pensions, &c. - - - - - - - - -	84,000	85,259	1,259	—	48
Indian Military Service Family Pensions - - - - -	45,000	46,287	1,287	—	49
SPECIAL DEFENCE WORKS:					
SPECIAL DEFENCES (1902): Stores for India - - - -	—	5,361	5,361	—	50
TOTAL EXPENDITURE CHARGEABLE AGAINST REVENUE, carried forward - - - - - - - - - £	18,275,300	18,146,474			

* Although for convenience classed among the State Railways, this Line is the property of the Bengal Central Railway Company.

of the Home Treasury of the Government of *India*, for the Year 1903-04—*continued*.

	EXPLANATIONS OF INCREASE OR DECREASE.
1	The Account includes 1,800*l*. on account of the new Telegraph Word Code.
2	The demands were larger than was indicated in the estimates received from India.
4	The payments for Stores lost in transit to India were very small.
5	When the Budget Estimate was framed, the construction of these Railways by the Madras Railway Company had not been arranged.
16	Owing to the payment in this year of outstanding Annuities.
24	The Companies did not raise within the year the further Capital which was included in the Budget Estimate.
26	
27	
28	Debentures falling due were renewed at a higher rate than was anticipated.
30	The Companies did not raise within the year the further Capital which was included in the Budget Estimate.
31	
32	The demands were larger than was indicated in the estimates received from India.
33	
34	The decrease occurred in the Absentee Allowances of Civil Officers.
35	The decrease is owing to proposed expenditure on extensions of the College Buildings not having been incurred.
36	Mainly owing to the expenses of an Officer while selecting a type of dredger for use in the rivers of Bengal.
37	The demands were larger than was indicated in the estimates received from India.
38	The advance on account of Deferred Pay was less than the Budget Estimate, and a sum of 90,204*l*. was refunded by the War Office in respect of 1902–03, which was not expected until 1904–05.
39	The increase occurred mainly under Furlough Pay.
40	Owing to a larger number of Officers being on furlough than was estimated. [in freight of Troops to India.
41	Mainly due to arrears of previous years in respect of the cost of moving units, &c., from South Africa to India, and to increase
42	Fewer Officers were provided with passages otherwise than in Transports than had been estimated.
43	Increases occurred in most of the accounts included in this head, the principal being 3,405*l*. for Officers on Special Duty, 3,461*l*. for Officers studying the Russian language, and 1,764*l*. for Native Orderlies to the King. The Account also includes 5,528*l*. for the Purchase of Stallions, the estimate for which was included in the Budget under "Scientific and other Minor Departments."
44	There was a decrease of 93,730*l*. in Ordnance Stores; on the other hand, there was an increase of 16,445*l*. in Medical Stores, and of 21,629*l*. in Supply and Transport Stores.
45	The Account includes a payment of 12,545*l*., being arrears due in respect of the year 1902–03.
47	Owing to the transfer to this head of Pensions formerly charged through the Remittance Account for adjustment against [Berar Revenues.
49	Sufficient provision was not made for the growth of these payments.
50	This expenditure was not anticipated when the Budget Estimate was framed.

No. 7.—Comparison of the Estimated and Actual Receipts and Disbursements

DISBURSEMENTS—*continued.*	1903-04. Budget Estimate, March 1903.	1903-04. Account.	Increase.	Decrease.	
	£	£	£	£	
Total Expenditure chargeable against Revenue, brought forward	18,275,300	18,146,474			
EXPENDITURE NOT CHARGED TO REVENUE:					
Capital Outlay on Railways and Irrigation Works:					
State Railways:					
Stores for India, &c.	1,729,000	1,247,874	—	481,126	1
Payments to the Madras Railway Company for the construction of the Azikhal-Mangalore Railway	77,000	53,899	—	23,101	2
Irrigation Works:					
Stores for India	7,400	3,809	—	3,591	3
	1,813,400	1,305,582			
PAYMENTS TO RAILWAY COMPANIES ON CAPITAL ACCOUNT:					
For Discharge of Debentures, &c.	3,332,800	80,000	—	3,252,800	4
On account of Stores, Establishment Charges, &c.	1,396,800	1,276,216	—	120,584	5
	4,729,600	1,356,216			
DEBT:					
Permanent Debt discharged:					
Great Indian Peninsula Railway Debentures	600,000	600,000	—	—	6
Temporary Debt discharged:					
Temporary Loans on security of India Bills	3,500,000	3,500,000	—	—	7
	4,100,000	4,100,000			
DEPOSITS AND ADVANCES:					
Advances repayable	—	214,373	214,373	—	8
Miscellaneous Deposits:					
Gold Reserve Fund: Sums invested in Consols and other British Funds	102,700	2,566,189	2,463,489	—	9
Portion of outstanding Interest of the Great Indian Peninsula Railway Company, repaid by the Company on the purchase of its Undertaking by the State, claimed during the year by the persons entitled thereto	—	301	301	—	10
	102,700	2,780,863			
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:					
Payments to His Majesty's Treasury and other Public Departments on account of Postal and Money Order transactions, &c.	144,000	20,376	—	123,624	11
Family Remittances, Remittances by Administrators General, &c.	95,000	80,290	—	14,710	12
East Indian Railway Company: Advances for purchase of Stores, &c.	900,000	595,803	—	304,197	13
Rajputana-Malwa Railway: Ditto, ditto	200,000	154,658	—	45,342	14
South Indian Railway Company: Ditto, ditto	232,000	123,328	—	108,672	15
Bengal and North-Western Railway Company: Ditto, ditto	30,000	148,082	118,082	—	16
Great Indian Peninsula Railway Company: Ditto, ditto	629,300	554,521	—	74,779	17
Stores chargeable to Provincial and Local Funds, and to Native States	155,700	222,124	66,424	—	18
Miscellaneous Payments to be brought to charge or recovered in India	78,000	73,369	—	4,631	19
Purchase of Silver	—	4,055,327	4,055,327	—	20
	2,464,000	6,027,878			
Total Disbursements £	31,485,000	33,717,013			

India Office, 11 May 1905.

of the Home Treasury of the Government of *India*, for the Year 1903–04—*continued*.

	EXPLANATIONS OF INCREASE OR DECREASE.
1	The demands were smaller than was indicated in the estimates received from India.
2	The Estimate was furnished by the Madras Railway Company.
3	The demands were smaller than was indicated in the estimates received from India.
4	The amount of Debentures renewed was 3,254,000*l.* (*see* note against Receipts on account of Subscribed Capital ; but 1,200*l.* was paid to holders as discount on renewal, which has been included under this head.
5	The Estimates were furnished by the Railway Companies.
9	*See* corresponding receipts.
11	The Budget Estimate included 136,000*l.* on account of Postal and Money Order transactions. Instead of the usual payment, however, these transactions have resulted in 1903–04 in a net receipt of 93,332*l.*, which has been transferred to the receipt side of the Account.
12	The decrease occurred in the payment of Remittances by Administrators General.
13–17	These Estimates were furnished by the several Railway Companies concerned.
18	The Account includes 29,588*l.* expended on a dredger for Rangoon, and other demands were larger than was indicated in the estimates received from India.
19	Pay and Pensions amounting to about 29,000*l.*, formerly charged to this head for adjustment against Berar Revenues, a now finally charged in this country against Indian Revenues under various heads ; on the other hand, there was an increase of 24,000*l.* in the Bills drawn by the Mission to the Court of Persia.
20	For coinage.

Lionel Abrahams, Financial Secretary.

No. 8.

* ESTIMATED ACCOUNT of the RECEIPTS and DISBURSEMENTS of the HOME

RECEIPTS.

			£
REVENUE:			
INTEREST:			
Interest realised from investment of Cash Balance, &c.			160,471
TELEGRAPH:			
Indo-European Telegraph:		£	
Message Revenue		3,978	
Miscellaneous Receipts		157	
			4,135
MINT:			
Proceeds of Sale of Indian Coins sent to this Country for Assay, &c.			46
MARINE:			
Sum received from the Admiralty on account of the sale of Gun Boats			4,000
MEDICAL:			
Pensions, &c. of Lunatics appropriated to their maintenance			1,105
SCIENTIFIC AND OTHER MINOR DEPARTMENTS:			
Sale proceeds of Books, Maps, &c.			617
RECEIPTS IN AID OF SUPERANNUATION ALLOWANCES AND PENSIONS:		£	
Subscriptions, &c., to the Widows' Funds of the Home Establishment of the East India Company, and in respect of the India Office Provident Fund		12,983	
Subscriptions in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund		52,422	
Subscriptions towards Indian Civil Service Family Pensions		7,643	
			73,048
MISCELLANEOUS:			
Miscellaneous Receipts connected with the supply of Stores to India, and sundry items			2,584
RAILWAYS:			
STATE RAILWAYS:		£	
East Indian Railway: Rent of premises occupied by the Company		230	
SUBSIDIZED COMPANIES:	£		
Rohilkund and Kumaon Railway: Government share of Surplus Profits	1,751		
Southern Punjab Railway: Ditto ditto	7,774		
		9,525	
			9,755
OTHER PUBLIC WORKS:			
CIVIL WORKS AND MISCELLANEOUS SERVICES:			
Royal Indian Engineering College: Fees from Students, &c.			26,229
ARMY:			
Effective.		£	
Contribution by the Imperial Government in respect of	£		
Cost of the Transport of Troops	130,000		
Military Charges for Aden	100,000		
		230,000	
Value of Clothing, Accoutrements, &c., in possession of Regiments on their transfer from the Indian to the British Establishment; Proceeds of Sales of unserviceable Stores; Receipts on account of the Indian Troop Service; Recoveries on account of Messing, &c.		98,199	
		328,199	
Non-effective.			
Subscriptions towards Indian Military Service Family Pensions		26,786	
			354,985
Carried forward			636,975

* This is an Account subject to audit and to the final adjustment of the accounts of sub-accountants.

No. 8.

TREASURY of the GOVERNMENT of *India*, from 1st April 1904 to 31st March 1905.

DISBURSEMENTS.

EXPENDITURE:

	£	£
LAND REVENUE:		
Law Charges in connection with Appeals from India	443	
Stores for India	432	
		875
OPIUM:		
Stores for India		2,310
SALT:		
Stores for India		918
STAMPS:		
Stores for India		38,763
EXCISE:	£	
Stores for India	533	
Other Payments	308	
		841
CUSTOMS:		
Stores for India	164	
Other Payments	184	
		348
FOREST:		
Expenses in connection with Candidates for the Indian Forest Department, Passage to India on appointment, &c.	1,379	
Stores for India	3,235	
		4,614
INTEREST ON DEBT (EXCLUDING THAT CHARGED TO RAILWAYS):		
Interest on Loans contracted in England	*2,916,423	
Discount Sinking Fund, in redemption of Debt incurred in excess of money raised	21,496	
Discount on the issue of 2,500,000*l.* India 3 per cent. Stock	107,246	
		3,045,165
POST OFFICE:		
Payments under the Postal arrangement with the Lords of His Majesty's Treasury	104,487	
Stores for India	48,547	
		153,034
TELEGRAPH:		
Indo-European Telegraph:	£	
Payments in respect of Revenue	2,163	
Other Payments	19,672	
	21,835	
Red Sea and India Telegraph	18,027	
Indian Telegraph Department—Absentee Allowances and Contingent Expenses	4,565	
	44,427	
Telegraph Lines in India—Stores for India	148,371	
		192,798
MINT:		
Stores for India	13,710	
Other Payments	649	
		14,359
GENERAL ADMINISTRATION:		
Home Establishment, &c.	234,234	
Payments on account of Administration in India	2,184	
	236,418	
Stores for India	35,798	
		272,216
LAW AND JUSTICE:		
Stores for India	19	
Other Payments	480	
		499
POLICE:		
Passage to India of Assistant Superintendents on appointment, &c.		622
Carried forward	£	3,727,362

* Total interest on Loans contracted in England is charged as follows:—

	£	£	£
Under Interest on Ordinary Debt (as above)			2,916,423
Under Railway Revenue Account (page 47):			
State Railways—Interest on Debt	1,141,439		
Deduct—Oude and Rohilkund Railway Discount Sinking Fund	2,832		
		1,138,607	
State Railways—Interest chargeable against Companies on Advances		237,307	
			1,375,914
		£	4,292,337

No. 8.—ESTIMATED ACCOUNT of the Receipts and Disbursements of the Home Treasury

	Brought forward - - - -	£ 636,975
RECEIPTS—*continued.*		
	Carried forward - £	636,975

of the Government of *India*, from 1st April 1904 to 31st March 1905—*continued.*

			£
		Brought forward - - -	3,727,362
DISBURSEMENTS—*continued.*			
EXPENDITURE—*continued.*			
MARINE :		£	
Contribution towards the expenses of His Majesty's Ships employed in the Indian Seas, &c.		100,115	
Sundry items		2,983	
		103,098	
Stores for India		189,421	
			292,519
EDUCATION :			
Allowances to Indian Government Scholars, Passage to India of Educational Officers on appointment, &c.			5,064
ECCLESIASTICAL :			
Passage to India of Chaplains on appointment			390
MEDICAL :		£	
Maintenance of Lunatics		3,151	
Pay, passage, &c. of Medical Officers in connection with the Plague, grants for Medical Research, &c.		3,008	
			6,159
POLITICAL :			
Contribution towards the Mission to the Court of Persia, and Minor Consulates		1,294	
Sundry items		2,064	
		3,358	
Stores for India		345	
			3,703
SCIENTIFIC AND OTHER MINOR DEPARTMENTS :			
Stores for India		22,094	
Ditto Re-organisation		403	
		22,497	
Other Payments		12,394	
			34,891
TERRITORIAL AND POLITICAL PENSIONS :			
Members of the Family of the late Maharajah Duleep Singh		9,692	
Members of the Bengal Nizamut Family		980	
			10,672
CIVIL FURLOUGH AND ABSENTEE ALLOWANCES			218,545
SUPERANNUATION ALLOWANCES AND PENSIONS :		£	
General		558,769	
Annuities, Pensions, and Allowances payable in respect of the Indian Civil, Military, and Medical Funds, and the Indian Navy Fund		1,453,857	
Indian Civil Service Family Pensions		7,254	
			2,019,880
STATIONERY AND PRINTING :			
Stationery, Printing, and Bookbinding, for the India Office, &c.		7,333	
Stores for India		95,469	
			102,802
MISCELLANEOUS :			
Examination Expenses and Allowances of Candidates for the Indian Civil Service, &c.		9,312	
Miscellaneous Charges connected with the supply of Stores to India		56,596	
			65,908
FAMINE RELIEF AND INSURANCE :			
CONSTRUCTION OF PROTECTIVE RAILWAYS :			
Payments to the Madras Railway Company for construction of Famine Railways			18,691
RAILWAY REVENUE ACCOUNT :			
STATE RAILWAYS—INTEREST ON DEBT :	£	£	
East Indian Railway	287,476		
Eastern Bengal Railway	32,484		
Scinde Punjab and Delhi Railway	149,684		
Oude and Rohilkund Railway	322,567		
South Indian Railway	146,635		
Great Indian Peninsula Railway	202,593		
STATE RAILWAYS—ANNUITIES IN PURCHASE OF RAILWAYS (INCLUDING SINKING FUNDS):		1,141,439	
East Indian Railway	1,195,616		
Eastern Bengal Railway	123,098		
Scinde Punjab and Delhi Railway	421,997		
Great Indian Peninsula Railway	1,268,573		
STATE RAILWAYS—INTEREST CHARGEABLE AGAINST COMPANIES ON ADVANCES :		3,009,284	
*Bengal Central Railway	16,250		
Bengal-Nagpur Railway	89,700		
Bombay Baroda and Central India Railway	2,173		
Great Indian Peninsula Railway	13,812		
Indian Midland Railway	46,150		
Southern Mahratta Railway	69,222		
STATE RAILWAYS—INTEREST ON CAPITAL DEPOSITED BY COMPANIES :		237,307	
Assam-Bengal Railway	88,217		
*Bengal Central Railway	17,500		
Bengal-Nagpur Railway	273,714		
Burma Railways	87,500		
East Indian Railway	200,008		
Great Indian Peninsula Railway	77,250		
Indian Midland Railway	218,590		
Southern Mahratta Railway	208,193		
South Indian Railway	65,000		
		1,235,972	
GUARANTEED COMPANIES—INTEREST		1,045,143	
			6,669,145
		Carried forward - - - £	13,175,731

* Although for convenience classed among the State Railways, this line is the property of the Bengal Central Railway Company.

No. 8.—ESTIMATED ACCOUNT of the Receipts and Disbursements of the Home Treasury

		£
	Brought forward - - -	636,975
RECEIPTS—*continued.*		
TOTAL RECEIPTS ON ACCOUNT OF REVENUE - - -	£	636,975
Carried forward - - -	£	636,975

of the Government of *India*, from 1st April 1904 to 31st March 1905—*continued.*

			£
		Brought forward - - -	13,175,731
DISBURSEMENTS—*continued.*			
EXPENDITURE—*continued.*			
IRRIGATION:			
MINOR WORKS AND NAVIGATION:			
Stores for India - - - - - - - - - - - - - - - - - -			1,998
OTHER PUBLIC WORKS:			
MILITARY WORKS:		£	
Stores for India - - - - - - - - - - - - - - - - -		49,641	
CIVIL WORKS AND MISCELLANEOUS SERVICES:	£		
Furlough Pay and Allowances of Officers in the Public Works Department	38,055		
Royal Indian Engineering College - - - - - - - - -	28,180		
Sundry items - - - - - - - - - - - - - -	2,578		
	68,813		
Stores for India - - - - - - - - - - - - -	5,069		
		73,882	
			123,523
ARMY:			
Effective.			
Payments to War Office in respect of British Forces serving in India - -	644,552		
Furlough Allowances and Pay during Voyage of British Forces serving in India	124,668		
Furlough Allowances of Officers of the Indian Service - - - - -	269,745		
Indian Troop Service - - - - - - - - - - - - -	370,944		
Passage of Officers and others not charged to Indian Troop Service - -	11,559		
Miscellaneous - - - - - - - - - - - - - -	53,462		
	1,474,930		
Stores for India - - - - - - - - - - - - - -	1,472,531		
		2,947,461	
Non-effective.			
Payments to War Office for Retired Pay, &c. of British Forces for service in India - - - - - - - - - - - - - - - -	729,615		
Pay of Non-effective Colonels of Royal Artillery - - - - - - -	18,585		
Pay and Pensions of Non-effective and Retired Officers of the Indian Service	1,543,153		
Miscellaneous Pensions, &c. - - - - - - - - - - - -	87,067		
Indian Military Service Family Pensions - - - - - - - -	48,992		
Contributions towards Pensions of Indian Native Soldiers lent for Imperial Service, refunded - - - - - - - - - - - - -	9,940		
		2,437,352	
Re-organisation.			
Stores for India - - - - - - - - - - - - - - - - -		686,372	
			6,071,185
SPECIAL DEFENCE WORKS:			
SPECIAL DEFENCES (1902):			
Stores for India - - - - - - - - - - - - - - - - -			92,346
TOTAL EXPENDITURE CHARGEABLE AGAINST REVENUE - - - £			19,464,783

EXPENDITURE NOT CHARGED TO REVENUE:

CAPITAL OUTLAY ON RAILWAYS AND IRRIGATION WORKS:				
STATE RAILWAYS:	£	£	£	
Stores for India - - - - - - - - - -	1,247,098			
Salary and Expenses of Consulting Engineer and Staff, &c.	12,427			
		1,259,525		
Payments to the Burma Railways Company for construction of State Extensions - - - - - - - - - - - - - -		113,429		
Payments to the Madras Railway Company for construction of the Azikhal-Mangalore Railway - - - - - - - - - -		122,139		
			1,495,093	
IRRIGATION WORKS:				
Stores for India - - - - - - - - - - - - - -			7,259	
				1,502,352
			Carried forward - - £	20,967,135

No. 8.—ESTIMATED ACCOUNT of the Receipts and Disbursements of the Home Treasury

			£
		Brought forward - - -	636,975
RECEIPTS—*continued.*			
CAPITAL RECEIPTS FROM RAILWAY COMPANIES:*		£	
ON ACCOUNT OF SUBSCRIBED CAPITAL - - - - - - - - - - - - -		1,501,250	
ON ACCOUNT OF TRANSFER FEES AND MISCELLANEOUS REFUNDS - - - - - -		13,218	
			1,514,468
DEBT:			
PERMANENT DEBT INCURRED:			
India 3 per Cent. Stock—Loan issued:			
Created under Act 1 Edw. VII. ch. 25. for discharge of 1,002,100*l.* Great Indian Peninsula Railway Debentures - - - - - - - -	£ 1,047,015		
Created under Act 51 Vict. ch. 5. for advances to Railway Companies -	1,452,985		
		2,500,000	
TEMPORARY DEBT INCURRED:			
Temporary Loans on Security of India Bills - - - - - - - - - -		500,000	
			3,000,000
DEPOSITS AND ADVANCES:			
REPAYMENT OF ADVANCES - - - - - - - - - - - - - -		15,934	
MISCELLANEOUS DEPOSITS:			
Gold Reserve Fund:	£		
Net sale proceeds of Gold received from India - - - - - -	1,099,087		
Sum remitted by means of Bills of Exchange and Telegraphic Transfers on India - - - - - - - - - - - - - -	700,396		
Dividends on investments, and discount on Treasury Bills - - -	200,629		
		2,000,112	
			2,016,046
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:			
Repayments by His Majesty's Treasury and other Public Departments in respect of Expenditure incurred in India in connection with the Somaliland Expedition - - - - - - - - - - - - - - -	£ 652,700		
Advances in India on account of Emigration of Coolies, Chelsea Out-pensioners paid in India, Supplies to His Majesty's Ships on the East India Station, Postal and Money Order transactions, &c. - - - - - -	292,948		
		945,648	
Estates remitted from India by Administrators-General by means of Bills on London - -		40,414	
East Indian Railway Company:	£		
On account of Debenture Capital - - - - - - - - -	1,363,636		
Transfer fees and miscellaneous refunds - - - - - - -	5,275		
		1,368,911	
South Indian Railway Company:			
On account of Debenture Capital - - - - - - - -	400,000		
Transfer fees and miscellaneous refunds - - - - - - -	4,538		
		404,538	
Bengal and North-Western Railway Company: Transfer fees and miscellaneous refunds - -		4,532	
Great Indian Peninsula Railway Company: Ditto ditto - -		3,075	
Miscellaneous receipts - - - - - - - - - - - - - - -		39,131	
Gold received from India; net sale proceeds (*see also* Gold Reserve Fund, under "Miscellaneous Deposits") - - - - - - - - - - - - - - - - -		4,090,388	
	£		
Bills of Exchange and Telegraphic Transfers on India - - - - -	24,425,558		
Less—Appropriated to Gold Reserve Fund under "Miscellaneous Deposits" -	700,396		
		23,725,162	
			30,621,799
		TOTAL RECEIPTS - - - - £	37,789,288
		BALANCE, 1st April 1904 - - -	7,294,782
		£	45,084,070

India Office,
11 May 1905.

* See note on opposite page.

For Statement showing New or Increased Salaries or Pensions

of the Government of *India*, from 1st April 1904 to 31st March 1905—*continued*.

DISBURSEMENTS—*continued.*		£
Brought forward		20,967,135
PAYMENTS TO RAILWAY COMPANIES ON CAPITAL ACCOUNT:*		
FOR DISCHARGE OF DEBENTURES, &C.	£ 61,215	
ON ACCOUNT OF STORES, ESTABLISHMENT CHARGES, &C.	1,069,845	
		1,131,060
DEBT:		
PERMANENT DEBT DISCHARGED:	£	
Great Indian Peninsula Railway Debentures	1,002,100	
India 5 per Cent. Stock	100	
	1,002,200	
TEMPORARY DEBT DISCHARGED:		
Temporary Loans on security of India Bills	2,000,000	
		3,002,200
DEPOSITS AND ADVANCES:		
ADVANCES REPAYABLE	118,755	
MISCELLANEOUS DEPOSITS:	£	
Gold Reserve Fund: Sums invested in British Funds and Treasury Bills	2,000,112	
Portion of outstanding Interest of the Great Indian Peninsula Railway Company, repaid by the Company on the purchase of its Undertaking by the State, claimed during the year by the persons entitled thereto	108	
	2,000,220	
		2,118,975
REMITTANCE ACCOUNT BETWEEN ENGLAND AND INDIA:		
Payments to His Majesty's Treasury and other Public Departments on account of Little Basses Light Vessel Dues, &c.	14,546	
Family Remittances, Remittances by Administrators-General, &c.	86,445	
East Indian Railway Company:	£	
For discharge of Debentures	800,000	
Advances for purchase of Stores, &c.	632,344	
	1,432,344	
Rajputana-Malwa Railway: Advances for purchase of Stores, &c.	75,904	
South Indian Railway Company: Ditto, ditto	129,174	
Bengal and North-Western Railway Company: Ditto, ditto	120,887	
Great Indian Peninsula Railway Company: Ditto, ditto	883,367	
Stores chargeable to Provincial and Local Funds, and to Native States	224,091	
Miscellaneous payments to be brought to charge or recovered in India	95,139	
Purchase of Silver	4,540,378	
		7,602,275
TOTAL DISBURSEMENTS	£	34,821,645
BALANCE, 31st March 1905		10,262,425
	£	45,084,070

Arthur Guillum Scott, Accountant-General.

* Receipts from, and advances to, the East Indian, the South Indian, the Great Indian Peninsula, and the Bengal and North-Western Railway Companies, and advances to the Bombay Baroda and Central India Railway Company on account of the Rajputana-Malwa Railway, are treated as remittances.

granted or created within the year 1904-05, *see* page 56.

No. 9. - - - - - - - -

ACCOUNT showing the Total Amount of INDIAN DEBT raised in *England*, the Annual
the Debt and Interest created in the Year ended the 31st March 1905;
Debt, the Annual Interest thereon, and the Indian Railway Annuities, on the 31st

	Capital of Debt.	Rate per Cent.	Annual Interest on Debt; and Indian Railway Annuities.
TOTAL DEBT AND ANNUITIES ON THE 31ST MARCH 1904.			
Debt bearing Interest:	£ s. d.		£ s. d.
India 3½ per Cent. Stock	62,817,688 16 11	3½	2,198,619 2 2
India 3 per Cent. Stock	50,135,384 1 4	3	1,504,061 10 5
India 2½ per Cent. Stock	11,892,206 12 3	2½	297,305 3 4
India Bills	2,000,000 - -	Various	*69,260 16 7
East Indian Railway Debenture Stock	1,435,650 - -	4½	64,604 5 -
Eastern Bengal Railway Debenture Stock	348,666 - -	4	13,946 12 9
South Indian Railway Debenture Stock	425,000 - -	4½	19,125 - -
Great Indian Peninsula Railway Debenture Stock	2,701,450 - -	4	108,058 - -
Great Indian Peninsula Railway Debentures	250,000 - -	3	7,500 - -
Ditto ditto	1,002,100 - -	2½	25,052 10 -
	133,008,145 10 6		
Debt not bearing Interest:			
India 5 per Cent. Stock	9,442 11 9		
India 4 per Cent. Stock	7,338 11 10		
East India Bonds	20,917 - -		
TOTAL Debt, and Annual Interest thereon, on 31st March 1904	133,045,843 14 1	- -	4,307,533 - 3
Indian Railway Annuities.			
East Indian Railway:			
Annuity terminating in 1953	- - -	- -	850,537 18 10
Interest in lieu of Deferred Annuity	- - -	- -	262,000 - -
Eastern Bengal Railway: Annuity terminating in 1957	- - -	- -	116,850 14 9
Scinde Punjab and Delhi Railway: Annuity terminating in 1958	- - -	- -	371,361 3 7
Great Indian Peninsula Railway: Annuity terminating in 1948	- - -	-	1,268,516 - 7
TOTAL Indian Railway Annuities on 31st March 1904	- - -	- -	2,869,265 17 9
TOTAL Debt, Annual Interest thereon, and Indian Railway Annuities, on 31st March 1904	133,045,843 14 1	- -	7,176,798 18 -
DEBT CREATED IN THE YEAR 1904-05.			
Debt bearing Interest:			
India 3 per cent. Stock	2,500,000 - -	3	75,000 - -
India Bills	500,000 - -	Various	*12,758 15 -
DEBT and Annual Interest thereon, created in the Year ended 31st March 1905	3,000,000 - -	- -	87,758 15 -
£	136,045,843 14 1	-	7,264,557 13 -

* This is the *actual* amount of Discount on the issue of the Bills.

No. 9.

Interest thereon, and the INDIAN RAILWAY ANNUITIES, on the 31st March 1904; the Debt and Interest reduced in that Year; and the Total Amount of March 1905; together with the Cost of Management paid in the Year.

	Capital of Debt.	Rate per Cent.	Annual Interest on Debt; and Indian Railway Annuities.
DEBT REDUCED IN THE YEAR 1904-05.			
Debt bearing Interest:			
India 3½ per Cent. Stock, purchased with the Sinking Funds, pursuant to Act 42 & 43 Vict. c. 206, s. 51, and Act 44 & 45 Vict. c. 53, s. 2	£ s. d. 133,123 11 8	3½	£ s. d. 4,659 6 6
India 3½ per Cent. Stock, purchased with the Discount Sinking Funds	23,329 – 9	3½	816 10 4
India Bills, paid off	2,000,000 – –	Various	*69,260 16 7
Great Indian Peninsula Railway Debentures, paid off	1,002,100 – –	2½	25,052 10 –
	3,158,552 12 5		
Debt not bearing Interest:			
India 5 per Cent. Stock, paid off	100 – –		
DEBT, and Annual Interest thereon, reduced in the Year ended 31st March 1905	3,158,652 12 5	– –	99,789 3 5
TOTAL DEBT AND ANNUITIES ON THE 31ST MARCH 1905.†			
Debt bearing Interest:			
India 3½ per Cent. Stock	62,661,236 4 6	3½	2,193,143 5 4
India 3 per Cent. Stock	52,635,384 1 4	3	1,579,061 10 5
India 2½ per Cent. Stock	11,892,206 12 3	2½	297,305 3 4
India Bills	500,000 – –	Various	*12,758 15 –
East Indian Railway Debenture Stock	1,435,650 – –	4½	64,604 5 –
Eastern Bengal Railway Debenture Stock	348,666 – –	4	13,946 12 9
South Indian Railway Debenture Stock	425,000 – –	4½	19,125 – –
Great Indian Peninsula Railway Debenture Stock	2,701,450 – –	4	108,058 – –
Great Indian Peninsula Railway Debentures	250,000 – –	3	7,500 – –
	132,849,592 18 1		
Debt not bearing Interest:			
India 5 per Cent. Stock	9,342 11 9		
India 4 per Cent. Stock	7,338 11 10		
East India Bonds	20,917 – –		
TOTAL Debt, and Annual Interest thereon, on 31st March 1905	132,887,191 1 8	– –	4,295,502 11 10
Indian Railway Annuities.			
East Indian Railway:			
Annuity terminating in 1953	– – –	– –	850,537 18 10
Interest in lieu of Deferred Annuity	– – –	– –	262,000 – –
Eastern Bengal Railway: Annuity terminating in 1957	– – –	– –	116,850 14 9
Scinde Punjab and Delhi Railway: Annuity terminating in 1958	– – –	– –	371,361 3 7
Great Indian Peninsula Railway: Annuity terminating in 1948	– – –	– –	1,268,516 – 7
TOTAL Indian Railway Annuities on 31st March 1905	– – –	– –	2,869,265 17 9
TOTAL Debt, Annual Interest thereon, and Indian Railway Annuities, on 31st March 1905	132,887,191 1 8	– –	7,164,768 9 7
£	136,045,843 14 1	– –	7,264,557 13 –

* This is the *actual* amount of Discount on the issue of the Bills.
† For Analysis, *see* following page.

No. 9.—ACCOUNT showing the Total Amount of INDIAN DEBT, raised in *England*,

ANALYSIS of the Amount of INDIAN DEBT raised in *England*, the Annual Interest thereon, and the INDIAN RAILWAY ANNUITIES, outstanding on the 31st March 1905.

	Capital of Debt.		Rate per Cent.	Annual Interest on Debt; and Indian Railway Annuities.
Debt, exclusive of that incurred under Act 51 Vict. c. 5, s. 4, for Advances to Railway Companies, and in respect of the undermentioned Railways.	£ s. d.	£ s. d.		£ s. d.
Bearing Interest:				
India 3½ per Cent. Stock	51,795,532 12 9	- - -	3½	1,812,843 12 10
India 3 per Cent. Stock	26,117,396 6 6	- - -	3	783,521 17 9
India 2½ per Cent. Stock	11,151,558 10 11	- - -	2½	278,788 19 3
India Bills	500,000 - -	- - -	Various	*12,758 15 -
	89,564,487 10 2			
Not bearing Interest:				
India 5 per Cent. Stock	9,342 11 9			
India 4 per Cent. Stock	7,338 11 10			
East India Bonds	20,917 - -			
		89,602,085 13 9	-	2,887,913 4 10
Debt incurred under Act 51 Vict. c. 5, s. 4, for Advances to Railway Companies.				
Bearing Interest:				
India 3 per Cent. Stock	- - -	8,957,154 9 -	3	268,714 12 8
Debt incurred and Annuity created in respect of the East Indian Railway.				
Debt bearing Interest:				
India 3½ per Cent. Stock	6,116,599 16 5	- - -	3½	214,080 19 10
India 3 per Cent. Stock	240,771 3 8	- - -	3	7,223 2 9
East Indian Railway Debenture Stock	1,435,650 - -	- - -	4½	64,604 5 -
		7,793,021 - 1	-	285,908 7 7
Annuity:				
Annuity terminating in 1953	- - -	- - -	-	850,537 18 10
Interest in lieu of Deferred Annuity	- - -	- - -	-	262,000 - -
				1,112,537 18 10
Debt incurred and Annuity created in respect of the Eastern Bengal Railway.				1,398,446 6 5
Debt bearing Interest:				
India 3½ per Cent. Stock	526,152 8 -	- - -	3½	18,415 6 8
India 3 per Cent. Stock	228 9 1	- - -	3	6 17 1
Eastern Bengal Railway Debenture Stock	348,666 - -	- - -	4	13,946 12 9
		875,046 17 1	-	32,368 16 6
Annuity:				
Annuity terminating in 1957	- - -	- - -	-	116,850 14 9
Debt incurred and Annuity created in respect of the Scinde Punjab and Delhi Railway.				149,219 11 3
Debt bearing Interest:				
India 3½ per Cent. Stock	4,257,275 18 4	- - -	3½	149,004 13 2
India 3 per Cent. Stock	† — *16,553 8 8*	- - -	3	— *496 12 1*
		4,240,722 9 8	-	148,508 1 1
Annuity:				
Annuity terminating in 1958	- - -	- -	-	371,361 3 7
Debt incurred in respect of the Oude and Rohilkund Railway.				519,869 4 8
Bearing Interest:				
India 3½ per Cent. Stock	‡ — *34,324 11* -	- - -	3½	— *1,201 7 2*
India 3 per Cent. Stock	10,333,027 16 9	- - -	3	309,990 16 8
India 2½ per Cent. Stock	435,702 5 8	- - -	2½	10,892 11 2
		10,734,405 11 5	-	319,682 - 8
Debt incurred in respect of the South Indian Railway.				
Bearing Interest:				
India 3 per Cent. Stock	3,996,222 14 6	- - -	3	119,886 13 8
India 2½ per Cent. Stock	304,945 15 8	- - -	2½	7,623 12 11
South Indian Railway Debenture Stock	425,000 - -	- - -	4½	19,125 - -
		4,726,168 10 2	-	146,635 6 7
Debt incurred and Annuity created in respect of the Great Indian Peninsula Railway.				
Debt bearing Interest:				
India 3 per Cent. Stock	3,007,136 10 6	- - -	3	90,214 1 11
Great Indian Peninsula Railway Debenture Stock	2,701,450 - -	- - -	4	108,058 - -
Great Indian Peninsula Railway Debentures	250,000 - -	- - -	3	7,500 - -
		5,958,586 10 6	-	205,772 1 11
Annuity:				
Annuity terminating in 1948	- - -	- - -	-	1,268,516 - 7
				1,474,288 2 6
TOTAL Debt, Annual Interest thereon, and Indian Railway Annuities, on 31st March 1905 £		132,887,191 1 8	-	7,164,768 9 7

* This is the *actual* amount of Discount on the issue of the Bills.

† The Sinking Fund to redeem Debt issued in lieu of Annuity has been applied to this extent to the redemption of India 3 per Cent. Stock, instead of India 3½ per Cent. Stock.

‡ The Discount Sinking Fund, in redemption of Debt incurred in excess of money raised in respect of the India 3 per Cent. Stock issued in connection with the purchase of the Oude and Rohilkund Railway, has been applied to this extent to the redemption of India 3½ per Cent. Stock, instead of India 3 per Cent. Stock.

the Annual Interest thereon, and the INDIAN RAILWAY ANNUITIES, &c.—*continued.*

MANAGEMENT OF DEBT.

Average Amount of India Stocks on which Interest was paid during the year 1904.

	Bank of England.	Bank of Ireland.
	£ s. d.	£ s. d.
India 3½ per Cent Stock - - - - -	60,157,911 1 4	2,636,687 1 2
India 3 per Cent. Stock - - - - -	48,562,570 1 1	1,572,814 – 3
India 2½ per Cent. Stock - - - - -	11,778,816 13 7	113,389 18 7
£	120,499,297 16 –	4,322,891 – –

BANK OF ENGLAND.	£ s. d.	£ s. d.
Charge for Management for the Year 1904:		
Sterling Debt:		
On 100,000,000*l.* India Stocks, at 36*0l.* per million - - - - - - -	36,000 – –	
„ 20,499,297*l.* 16*s.* India Stocks, at 10*0l.* per million - - - - - -	2,049 18 7	
„ 2,500,000*l.* India 3 per Cent. Stock, issued during the year, at 10*0l.* per million a year, for 137 days - - - - - - - - - - - - -	93 16 8	
„ 4,910,766*l.* Indian Railway Debenture Stocks, at 30*0l.* per million - - -	1,473 4 5	
Issue of 2,500,000*l.* India 3 per Cent. Stock at 50*0l.* per million - - - -	1,250 – –	
Issue, &c., of 1,000,000*l.* India Bills, at 20*0l.* per million - - - - - -	200 – –	
		41,066 19 8
Rupee Debt:		
Rs. 169,360,425 Indian Government Rupee Loans, at 30*0l.* per ten million Rupees -	5,080 16 3	
Allowance for the assessment of Indian Income Tax on the Interest on Indian Government Rupee Loans, at 2*d.* per Rs. 10 deducted - - - - -	130 3 –	
		5,210 19 3
		46,277 18 11
BANK OF IRELAND.		
Charge for Management for the Year 1904:		
On 4,322,891*l.* India Stocks, at 36*0l.* per million - - - - - - - - -		1,556 4 3
£		47,834 3 2

Arthur Guillum Scott,
Accountant-General.

No. 10.

STATEMENT showing New or Increased SALARIES or PENSIONS granted or created in *England*, between 1st April 1904 and 31st March 1905 (*see* the Government of India Act, 1858, Sec. 53).

SALARIES.	Increase or Decrease in 1905-06. Increase.	Decrease.
	£	£
Officer of the Indian Army attached to the Secretariat of the Committee of Imperial Defence—Salary 500*l.*	500	—
Assistant Surveyor of Shipping, India Store Depôt—Salary 200*l.*, rising by 10*l.* annually to 300*l.*		
In lieu of Salary 120*l.*, rising by 10*l.* annually to 200*l.*	58	—
The salary of the present incumbent to be increased from 200*l.* to 250*l.* and to rise as above		
Two Inspectors of Stores, India Store Depôt—Extra allowances of 50*l.* each	100	—
Record Keeper, Military Department—Salary 120*l.*, rising by 3*l.* annually to 150*l.*		
In lieu of Salary 115*l.*, rising by 3*l.* annually to 140*l.*	10	—
The salary of the present incumbent to be increased from 127*l.* to 137*l.* and to rise as above		
One additional Hectographist, Registry and Record Department—Salary 15*s.* a week, rising by 2*s.* a week every two years to 21*s.* a week	39	—
One additional Staff Clerkship—Salary 350*l.*, rising by 15*l.* annually to 500*l.*		
In lieu of the post of Clerk for the Examination of Army Non-effective Accounts—Salary 300*l.*, rising by 10*l.* annually to 400*l.*, and then by 15*l.* annually to 500*l.*	50	—
Head Office Keeper—Salary 200*l.*, rising by 5*l.* annually to 250*l.*		
In lieu of Salary 200*l.*	50	—
The salary of the present incumbent to be increased from 200*l.* to 250*l.*		
Increase due to the allowance of a Member of Council having been in abeyance in 1904-05	1,200	—
Increase arising from periodical increments	2,205	—
Net decrease consequent on appointments abolished, vacancies, retirements, &c.	—	1,390
£	4,212	1,390

NET INCREASE, as shown on page 58 - - - £ 2,822

SUPERANNUATION AND RETIRED ALLOWANCES.

DETAILS of INCREASE and DIMINUTION in 1905-06.

Name.	Rank.	Age.	Service.	Salary.	Cause.	Amount. Commenced.	Amount. Ceased.
SUPERANNUATION ALLOWANCES.		*Years.*	*Years.*	£ *s.* *d.*		£ *s.* *d.*	£ *s.* *d.*
Carter, Albert Michael	Senior Clerk, Accountant-General's Department.	–	–	- -	Death - -	- -	500 – –
Deacon, William Joseph	Messenger, First Class -	–	–	- -	ditto - -	- -	68 – –
Field, George Alfred -	Assistant to Registrar, Registry and Record Department.	–	–	- -	ditto - -	- -	383 3 4
Franks, Charles Nash Bayley	Senior Clerk, Correspondence Department.	–	–	- -	ditto - -	- -	712 10 –
Morgan, Charles - -	Assistant to Registrar, Registry and Record Department.	–	–	- -	ditto - -	- -	475 6 8
Simmonds, William Henry	Messenger, Second Class -	–	–	- -	ditto - -	- -	82 17 4
Cushing, Thomas -	Inspector of Scientific Instruments, India Store Depôt.	65	*40	600 – –	Age - -	400 – –	—
May, George - -	Inspector of Stores, India Store Depôt.	55	*29	330 – –	Ill health -	159 10 –	—
Sturt, William Neville	Assistant, Correspondence Department.	60	41	1,000 – –	Age - -	666 13 4	—
				TOTAL - -		1,226 3 4	2,221 17 4
					DECREASE -	£ 995 14 –	

* Including three years added for special qualifications.

No. 10.—STATEMENT showing New or Increased Salaries or Pensions, &c.—*continued.*

SUPERANNUATION AND RETIRED ALLOWANCES—DETAILS OF INCREASE and DIMINUTION in 1905-06—*contd.*

Name.	Rank.	Age.	Service.	Salary.	Cause.	Amount. Commenced.	Amount. Ceased.
COMPASSIONATE ALLOWANCES.		*Years.*	*Years.*	£ s. d.		£ s. d.	£ s. d.
Andrews, William	Foreman, India Store Depôt.	–	–	–	Death	–	77 – 7
Basden, Richard	First Class Foreman, India Store Depôt.	–	–	–	ditto	–	79 19 –
Healy, John	Labourer, India Store Depôt.	–	–	–	ditto	–	14 6 –
McConnell, James	Labourer, India Store Depôt.	–	–	–	ditto	–	26 1 5
Mills, Mrs. Nancy	Housemaid, India Office	–	–	–	ditto	–	35 18 –
Pulman, Mrs. Elizabeth	Housemaid, India Office	–	–	–	ditto	–	15 12 10
Roberts, Mrs. Susannah	Housemaid, India Office	–	–	–	ditto	–	27 6 –
Winny, Samuel	Assistant Foreman and Timekeeper, India Office	–	–	–	ditto	–	25 – –
Wreford, Roger	Labourer, India Office	–	–	–	ditto	–	26 1 5
Nairne, Thomas Vincent	Third Class Foreman, India Store Depôt.	58	40	30*s.* a week	Ill health (since dead)	52 2 10	52 2 10
					TOTAL £	52 2 10	379 8 1
					DECREASE £		327 5 3
					TOTAL DECREASE £		1,322 19 3

SUPERANNUATION AND RETIRED ALLOWANCES.

ESTIMATED CHARGE for the Year 1905-06, including the Annual Amount of PENSIONS which have been commuted.

	1905—06.	1904-05.	Increase.	Decrease.
	£	£	£	£
Superannuation Allowances	27,252	28,248	—	996
Compensation Allowances	14,403	14,403	—	—
Compassionate Allowances	2,445	2,772	—	327
£	44,100	45,423	—	1,323
DECREASE £				1,323

Arthur Guillum Scott,
Accountant-General.

No. 11.

LIST of the ESTABLISHMENT of the SECRETARY of STATE in COUNCIL of *India;* and ESTIMATE of the AMOUNT required in the Year ending 31st March 1906, to pay the SALARIES and other EXPENSES of the INDIA OFFICE, and of the OFFICE of the AUDITOR of the ACCOUNTS of the SECRETARY of STATE in COUNCIL.

		1905-06.	1904-05.	INCREASE.	DECREASE.
INDIA OFFICE.		£	£	£	£
SALARIES, WAGES, AND ALLOWANCES		148,250	145,428	2,822	—
POSTAGE OF DESPATCHES TO INDIA		400	400	—	—
TELEGRAMS TO INDIA		5,500	5,500	—	—
LAW CHARGES		400	400	—	—
CONTINGENCIES		14,500	14,200	300	—
CONTINGENCIES OF THE STORE DEPÔT		10,800	11,500	—	700
STATIONERY, PRINTING, AND BOOKBINDING		7,500	8,200	—	700
OFFICE OF AUDITOR.					
SALARIES AND ALLOWANCES		7,337	7,159	178	—
CONTINGENCIES (INCLUDED IN THOSE OF THE INDIA OFFICE)		—	—	—	—
	£	194,687	192,787	3,300	1,400
			NET INCREASE	£ 1,900	
SUPERANNUATION AND RETIRED ALLOWANCES	£	*44,100	*45,423	—	1,323

* Estimated Charge for the Year, including the annual amount of Pensions which have been commuted.

INDIA OFFICE.

SUMMARY of SALARIES, WAGES, and ALLOWANCES.

Numbers. 1904-05.	Numbers. 1905-06.		1905-06.	1904-05.	INCREASE.	DECREASE.
			£	£	£	£
16	16	Secretary of State, Permanent Under Secretary of State, Parliamentary Under Secretary of State, Assistant Under Secretary of State and Clerk to Council, and 12 Members of Council	24,400	23,200	1,200	—
55	56	Correspondence Department	29,425	28,930	495	—
7	7	Funds Department	2,721	2,668	53	—
47	47	Accountant General's Department	17,451	17,024	427	—
63	64	Registry and Record Department	10,599	10,237	362	—
23	22	Miscellaneous Officers, &c.	11,563	12,120	—	557
56	56	Office Keepers and Messengers	6,001	5,967	34	—
34	34	Housekeeper, Housemaids, and Charwomen	1,382	1,382	—	—
21	21	Artificers and Labourers employed at the India Office	1,954	1,945	9	—
110	111	Store Department: Salaries.—India Office Branch, Branch at the India Store Depôt, and Stamp Branch	29,039	28,746	293	—
432	434		134,535	132,219		
186	188	Wages.—Artificers, Labourers, and Fire Watchmen, and Charwoman, employed at the Store Depôt; Examiners and Tellers employed by the Inland Revenue Department in connection with the supply of Stamps for India	13,715	13,209	506	—
618	622	£	148,250	145,428	3,379	557
			NET INCREASE		£ 2,822	

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

DETAILS OF THE FOREGOING.

Numbers.		SALARIES, WAGES, AND ALLOWANCES.	SALARY OF OFFICE.			1905-06.	1904-05.
1904-05.	1905-06.		Minimum.	Annual Increment.	Maximum.		
		SECRETARY OF STATE, &c.	£	£	£	£	£
1	1	Secretary of State	- -	- -	- -	5,000	5,000
1	1	Permanent Under Secretary of State	- -	- -	- -	2,000	2,000
1	1	Parliamentary Under Secretary of State	- -	- -	- -	1,500	1,500
1	1	Assistant Under Secretary of State and Clerk to Council	- -	- -	- -	1,500	1,500
12	12	Members of Council (1), (2)	- -	each 1,200*l.*	-	14,400	13,200
16	16				£	24,400	23,200

(1) Six also receive Indian Civil Service Annuities of 1,000*l.* each; one, an Indian Judicial Pension of 1,500*l.* a year; one, Indian Military Pay at 25*s.* a day and Colonel's Allowance at 668*l.* 12*s.* 5*d.* a year; and one, an Indian Military Pension of 1,000*l.* a year and a Good Service Pension of 100*l.* a year.

(2) In 1904-05 the salary of one was in abeyance.

		CORRESPONDENCE DEPARTMENT (including Financial, Judicial and Public, Military, Political and Secret, Public Works, and Revenue and Statistics Departments).					
6	6	Secretaries (1)	- -	each 1,200*l.*	- -	7,200	7,200
6	6	Assistants (2)	800	50	1,000	5,912	5,862
8	8	Senior Clerks (3)	600	25	800	5,437	5,238
1	1	Clerk specially attached to the Political and Secret Department	700	25	800	738	713
9	9	Junior Clerks (4)	200	20	600	3,142	2,972
1	1	Political Aide-de-Camp to the Secretary of State for India (5)	- -	- -	- -	800	800
1	—	*Clerk for Examination of Army Non-Effective Accounts*	*400*	*15*	*500*	—	*500*
3	4	Staff Clerks	350	15	500	1,628	1,215
1	1	Clerk for Special Duties	250	10	350	350	350
1	—	Second Class Clerk, Higher Grade	250	10	350	—	282
11	13	Second Class Clerks (6)	70	5 7*l.* 10*s.* 10	100 190 250	1,892	1,529
1	1	Clerk specially attached	4*l.* 14*s.* 6*d.* a week.	10/6 a week (triennially)	6*l.* 6*s.* a week.	329	329
1	1	*Director-in-Chief of the Indo-European Telegraph, Public Works Department (7)	- -	- -	- -	475	475
3	3	Clerks, ditto — One	320	20	700	1,276	1,231
		Clerks, ditto — One	250	10 15	350 450		
		Clerks, ditto — One	150	7*l.* 10*s.* 10	190 350		
2	2	Second Class Clerks, ditto	70	5 7*l.* 10*s.* 10	100 190 250	246	234
55	56				£	29,425	28,930

(1) Besides the sums included above, one receives Indian Military Pay at 25*s.* a day and Colonel's Allowance at 668*l.* 12*s.* 5*d.* a year; and two receive Indian Civil Service Annuities of 1,000*l.* each.

(2) One receives an extra allowance of 100*l.*

(3) One receives also 300*l.* as Private Secretary to the Secretary of State (charged under "Miscellaneous Officers, &c.").

(4) One receives 150*l.* as Assistant Private Secretary and Précis Writer to the Secretary of State; two receive 150*l.* each as Private Secretaries to the Under-Secretaries of State; one receives 50*l.* as Resident Clerk; and one 50*l.* as Reading Clerk to Council.

(5) Salary of 800*l.* is inclusive of 200*l.* consolidated travelling allowance. Also receives an Indian Military Pension of 700*l.* a year.

(6) One holds a Temporary Minor Staff Post at a Salary of 190*l.*, and receives an extra allowance of 100*l.* as Shorthand Writer to the Secretary of State; and one receives an extra allowance of 25*l.* One Clerk previously included under "Miscellaneous Officers, &c.," was transferred to the Correspondence Department in 1904-05.

(7) Salary of Office, 1,000*l.* *less* Indian Civil Pension of 525*l.* (the equivalent at 1*s.* 9*d.* of Rs. 6,000) a year.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued*.

Numbers. 1904-05.	Numbers. 1905-06.	SALARIES, WAGES, AND ALLOWANCES —*continued*.	SALARY OF OFFICE. Minimum.	Annual Increment.	Maximum.	1905-06.	1904-05.
		FUNDS DEPARTMENT.					
			£	£	£	£	£
1	1	Director of Funds	800	50	1,000	1,000	975
1	1	Senior Clerk	500	20	700	700	700
3	3	Second Class Clerks, Higher Grade (1)	250	10	350	846	828
2	2	Second Class Clerks	70	5 7*l.* 10*s.* 10	100 190 250	175	165
7	7				£	2,721	2,668

(1) One holds a Temporary Minor Staff Post at a salary of 320*l.*

		ACCOUNTANT-GENERAL'S DEPARTMENT.					
1	1	Accountant General	- -	- -	- -	1,200	1,200
1	1	Deputy Accountant General	800	25	1,000	950	925
5	5	Senior Clerks (1)	500	20	700	3,510	3,445
2	2	Redundant Senior Clerks	500	20	700	1,275	1,235
6	6	Junior Clerks (2)	150	15 20	300 500	2,452	2,367
4	4	Staff Clerks	350	15	500	1,685	1,625
15	15	Second Class Clerks, Higher Grade	250	10	350	4,893	4,813
12	12	Second Class Clerks	70	5 7*l.* 10*s.* 10	100 190 250	1,336	1,264
1	1	Keeper of Records	120	3	150	150	150
47	47				£	17,451	17,024

(1) Three receive extra allowances, one of 100*l.*, and two of 50*l.* each.
(2) One receives 50*l.* for compiling a portion of the "India List and India Office List."

		REGISTRY AND RECORD DEPARTMENT.					
1	1	Registrar and Superintendent of Records	- -	- -	- -	1,000	1,000
1	1	Assistant to Registrar	550	15	700	603	588
3	3	Staff Clerks	350	15	500	1,302	1,257
6	6	Second Class Clerks, Higher Grade (1)	250	10	350	1,879	1,849
22	22	Second Class Clerks	70	5 7*l.* 10*s.* 10	100 190 250	2,365	2,230
2	2	Clerks specially attached (2)	4*l.* 14*s.* 6*d.* a week.	10/6 a week (triennially)	6*l.* 6*s.* a week.	757	757
5	5	Supplemental Clerks	124 and then by 10*s.* 6*d.* a week, triennially.	2*l.* 10*s.*	150 250	921	887
1	1	Keeper of Records	150	5	200	200	195
1	1	Keeper of Geographical Records	100	5	200	200	200
1	1	Record Keeper, Military Department	120	3	150	140	127
14	14	Women Typists: Chief Superintendent	31*s.* a week	2*s.* a week	35*s.* a week	928	893
		Superintendent	26*s.* a week	2*s.* a week	30*s.* a week		
		Typists	18*s.* a week, first year 19*s.* a week	2*s.* a week	25*s.* a week		
1	2	*Hectographists	15*s.* a week	2*s.* a week every 2 yrs.	21*s.* a week	89	44
5	5	*Boy Clerks	15*s.* to 19*s.* a week	- -	- -	215	210
63	64				£	10,599	10,237

(1) Two hold Temporary Minor Staff Posts at salaries of 320*l.* and 300*l.* respectively, and one receives 50*l.* for compiling a portion of the "India List and India Office List."
(2) One receives 50*l.* as Resident Clerk, and 50*l.* as Assistant Editor of Telegraph Codes.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

Numbers.		SALARIES, WAGES, AND ALLOWANCES, —*continued.*	SALARY OF OFFICE.			1905-06.	1904-05.
1904-05.	1905-06.		Minimum.	Annual Increment.	Maximum.		
		MISCELLANEOUS OFFICERS, &c.	£	£	£	£	£
— (1)	— (1)	Private Secretary to the Secretary of State	- -	- -	- -	300	300
1	1	Government Director of Indian Railway Companies (2)	- -	- -	- -	1,000	1,000
1	1	Deputy Government Director of Indian Railway Companies	- -	- -	- -	700	700
1	1	Librarian	- -	- -	- -	600	600
1	1	Assistant to ditto	- -	- -	- -	350	350
1	1	Second Class Clerk, Higher Grade, employed in the Library	250	10	350	350	350
1	1	*Boy Clerk employed in the Library	15*s.* to 19*s.* a week			42	42
1	1	President of the Medical Board for the examination of Officers of the Indian Services (3)	- -	- -	- -	800	800
1	1	*Member of the Medical Board (4)	- -	- -	- -	300	300
1	1	Legal Adviser and Solicitor to the Secretary of State (5)	- -	- -	- -	1,200	1,200
1	1	Assistant Solicitor	600	25	800	719	694
1	1	Clerk, Legal Adviser and Solicitor's Department	200	10	300	246	236
1	1	*Valuation Officer for Military Equipment and Clothing (6)	- -	- -	- -	500	500
1	1	Assistant to Valuation Officer for Military Equipment and Clothing (7)	250	10	400	375	357
1	1	Actuary	600	25	800	800	800
1	1	*Computing Clerk to the Actuary	- -	- -	- -	250	250
1	1	Surveyor and Clerk of the Works	300	10	400	380	370
1	1	Assistant to ditto	180	10	250	251	241
1	1	*Ordnance Consulting Officer for India	- -	- -	- -	1,000	1,000
1	1	*Assistant to ditto	- -	- -	- -	500	500
1	—	**Assistant Military Secretary for Indian Affairs at the War Office*	- -	- -	- -	—	*1,000*
1	—	*Second Class Clerk, attached to Assistant Military Secretary for Indian Affairs at the War Office* (8)	*70*	*5* *7l. 10s.* *10*	*100* *190* *250*	—	*130*
1	1	*Officer of the Indian Army attached to the General Staff, War Office (9)	- -	- -	- -	200	200
—	1	*Officer of the Indian Army attached to the Secretariat of the Committee of Imperial Defence	- -	- -	- -	500	—
1	1	*Member of the Army Sanitary Committee, for the Indian portion of the work (10)	- -	- -	- -	200	200
23	22				£	11,563	12,120

(1) The present incumbent is not counted here, being a Senior Clerk in the Correspondence Department.
(2) Also receives an Indian Civil Pension of 612*l.* 10*s.* (the equivalent at 1*s.* 9*d.* of Rs. 7,000) a year.
(3) Also receives an Indian Medical Pension of 950*l.* a year.
(4) Also receives an Indian Medical Pension of 500*l.* a year.
(5) Also receives an Indian Judicial Pension of 1,200*l.* a year.
(6) Also receives a pension of 467*l.* a year granted for service in the British Army.
(7) In addition to salary, receives two guineas for each Valuation Statement prepared.
(8) On the abolition in 1904-05 of the appointment of Assistant Military Secretary for Indian Affairs at the War Office, the Clerk was transferred to the Correspondence Department.
(9) In addition to 500*l.* a year from the War Office.
(10) Also receives an Indian Medical Pension of 950*l.* a year.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

Numbers. 1904-05.	Numbers. 1905-06.		SALARY OF OFFICE. Minimum.	Annual Increment.	Maximum.	1905-06.	1904-05.
		SALARIES, WAGES, AND ALLOWANCES —*continued.*					
		OFFICE KEEPERS AND MESSENGERS.	£	£	£	£	£
1	1	Head Office Keeper	200	5	250	250	200
			With apartments				
1	*1	Second Office Keeper			150	176	176
			In lieu of Apartments		26		
1	1	Third Office Keeper	With apartments			140	140
20	20	Messengers, First Class (with uniform) (1)	105	2*l.* 10*s.*	120	2,556	2,540
29	29	Messengers, Second Class (with uniform) (1), (2)	80	2	100	2,773	2,767
4	4	*Boy Messengers	At 1*s.* 6*d.* to 2*s.* 6*d.* a day			106	144
56	56				£	6,001	5,967
		HOUSEKEEPER, HOUSEMAIDS, AND CHARWOMEN.					
1	1	Housekeeper	With apartments			80	80
28	28	*Housemaids	40*l.* a year each			1,120	1,120
5	5	*Charwomen	14*s.* a week each			182	182
34	34				£	1,382	1,382
21	21	*ARTIFICERS AND LABOURERS EMPLOYED AT THE INDIA OFFICE	At wages varying from 1*l.* 5*s.* to 2*l.* 10*s.* a week			1,954	1,945
		STORE DEPARTMENT.					
		India Office Branch.					
1	1	Director General				1,200	1,200
1	1	Deputy Director General	800	25	1,000	950	925
5	5	Senior Clerks (1)	500	20	700	3,850	3,810
2	2	Junior Clerks	150	15	300	797	769
				20	500		
1	1	Staff Clerk	350	15	500	414	399
2	2	Second Class Clerks, Higher Grade	250	10	350	642	632
11	11	Second Class Clerks	70	5	100	1,317	1,256
				7*l.* 10*s.*	190		
				10	250		
1	1	Clerk for Railway Stores	150	10	350	350	350
1	1	Supplemental Clerk	115	2*l.* 10*s.*	150	145	143
1	1	*Hired Writer				218	218
1	1	*Clerk for Ordnance Stores (2)	7*s.* 6*d.* a day.	6*d.* a day.	10*s.* a day.	158	148
1	1	*Boy Clerk	15*s.* to 19*s.* a week			42	42
1	1	*Surveyor of Shipping				600	600
29	29	Carried forward			£	10,683	10,492

(1) In addition to their salaries, certain Messengers receive the following allowances:—Three 30*l.* each for attendance on the Secretary of State; one 20*l.*, and one 10*l.*, for attendance on the Under Secretaries of State; one 25*l.*, as Bank Messenger; one 20*l.* for superintending the delivery of coal; one 30*l.* for the despatch of letters; one 20*l.* for assisting the Head Office Keeper; one 10*l.* for mail work; two 10*l.* each for performing the duties of Hall Porter; and one 5*l.* for assisting the Keeper of Records, Registry and Record Department.

(2) Eight receive also pensions varying from 1*s.* to 2*s.* 9*d.* a day, granted for service in the British Army.

(1) Four receive extra allowances of 100*l.* each.

(2) Also receives a pension of 2*s.* 4½*d.* a day granted for service in the British Army.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

Numbers.			SALARY OF OFFICE.			1905-06.	1904-05.
1904-05.	1905-06.		Minimum.	Annual Increment.	Maximum.		
		SALARIES, WAGES, AND ALLOWANCES —*continued.*	£	£	£	£	£
		STORE DEPARTMENT—*continued.*					
29	29	Brought forward	- -	- -	- -	10,683	10,492
		Branch at the India Store Depôt.					
1	1	Superintendent (1)	- -	- -	- -	800	800
1	1	Assistant Superintendent (2)	- -	- -	- -	600	600
4	4	Supervisors, First Grade (3)	400	15	500	1,927	1,882
1	1	Inspector of Machinery	400	15	500	426	411
6	6	Supervisors, Second Grade (3) (4)	250	10	400	1,911	1,851
1	1	Second Class Clerk, Higher Grade	250	10	350	266	257
18	18	Second Class Clerks	70	5 7*l.* 10*s.* 10	100 190 250	2,014	1,909
14	14	Inspectors of Stores (3) (5)	250	10	350	4,578	4,563
17	18	Assistant Inspectors of Stores (6)	150	5 7*l.* 10*s.*	200 250	3,083	3,022
1	1	Custodian of Patterns (3)	150	(7)	250	270	270
1	1	Storeholder	120	5	160	130	125
1	1	Engineer (3)	120	(7)	200	215	215
1	1	Assistant Surveyor of Shipping	200	10	300	258	200
1	1	Inspector of Scientific Supplies	300	15	500	300	600
1	1	*Examiner of Surgical Instruments (8)	- -	- -	- -	100	100
1	1	*Examiner of Medical Stores (9)	- -	- -	- -	300	300
1	1	*Medical Attendant on Labourers	- -	- -	- -	100	100
2	2	Messengers (with uniform)	80	2	100	192	188
4	4	*Boy Clerks	15*s.* to 19*s.* a week			168	168
		Stamp Branch. (*Paid through Inland Revenue Department.*)					
1	1	Supervisor of Stamps	200	10	300	282	272
1	1	Assistant ditto	150	7*l.* 10*s.*	200	166	159
2	2	Examiners of Stamps	100	5	150	270	262
110	111					29,039	28,746
9	9	**Artificers and Labourers employed at the Store Depôt*	- -	- -	- -	861	782
151	149	**Labourers and Fire Watchmen temporarily employed at the Store Depôt*	- -	- -	- -	11,027	10,771
1	1	**Charwoman temporarily employed at the Store Depôt*	- -	- -	- -	36	36
25	29	**Examiners and Tellers temporarily employed at the Stamp Branch*	- -	- -	- -	1,791	1,620
296	299				£	42,754	41,955

(1) Also receives a pension of 310*l.* a year granted for service in the Royal Navy.
(2) Also receives an Indian Military Pension of 55*l.* a year.
(3) Extra allowances as follows:—Two Supervisors, First Grade, 50*l.* each; one Supervisor, Second Grade, 25*l.* two Inspectors of Stores, 50*l.* each; Custodian of Patterns, 20*l.*; and Engineer, 15*l.*
(4) One also receives an Indian Military Pension of 58*l.* a year.
(5) One also receives a pension of 2*s.* 6*d.* a day granted for service in the British Army.
(6) In 1904-05 one Assistant Inspectorship was in abeyance during the employment of an extra Viewer.
(7) Rising on report of the Director General.
(8) Also receives an Indian Medical Pension of 292*l.* a year and an annuity of 300*l.* from the Bengal Medical Retiring Fund.
(9) Also receives an Indian Medical Pension of 365*l.* a year.

* Not on the permanent Establishment.

No. 11.—ESTABLISHMENT of the Secretary of State in Council of *India*, &c.—*continued.*

	1905-06.	1904-05.	INCREASE.	DECREASE.
CONTINGENCIES OF THE INDIA OFFICE.	£	£	£	£
Rates and Taxes	2,700	2,700	—	—
Repairs, Furniture, and Fittings	5,600	5,370	230	—
Coal and Firewood	500	500	—	—
Gas and Electric Lighting; Soap, and other House Articles	1,000	1,000	—	—
Postage (excluding Postage to India)	1,050	1,000	50	—
Telegrams (excluding Telegrams to India)	90	80	10	—
Travelling Expenses	240	240	—	—
Newspapers, Books, Periodicals, Parliamentary Papers, &c.	850	850	—	—
Advertisements	850	900	—	50
Stamps	120	120	—	—
Postal and Money Orders	120	100	20	—
Messengers' Uniforms	400	300	100	—
Messengers' Allowances for Night Watching	183	183	—	—
Pay of Police	150	150	—	—
Miscellaneous	647	707	—	60
£	14,500	14,200	410	110
NET INCREASE			£300	
CONTINGENCIES OF THE STORE DEPÔT.				
Rates and Taxes	960	950	10	—
Repairs, Furniture, and Fittings	1,900	3,200	—	1,300
Coal and Coke	400	450	—	50
Gas and Electric Lighting; Soap, and other House Articles	300	350	—	50
Travelling Expenses of Officers of the Department	3,600	3,200	400	—
Commission and Travelling Expenses of Professional Inspectors	1,400	1,300	100	—
Carriage of Stores	250	250	—	—
Patterns	100	100	—	—
Advertisements	30	35	—	5
Pay of Police	125	125	—	—
Miscellaneous	735	540	195	—
Inland Revenue Department for superintendence of the supply of Stamps for India	1,000	1,000	—	—
£	10,800	11,500	705	1,405
NET DECREASE			£ 700	

OFFICE OF AUDITOR.

SALARIES AND ALLOWANCES under the Government of India Act, 1858, sec. 52.

Numbers.			SALARY OF OFFICE.			1905-06.	1904-05.
1904-05.	1905-06.		Minimum.	Annual Increment.	Maximum.		
			£	£	£	£	£
1	1	Auditor	-	-	-	1,200	1,200
1	1	Assistant to the Auditor	800	25	1,000	856	831
4	4	Senior Clerks	500	20	700	2,605	2,550
1	1	Junior Clerk	150	15 20	300 500	495	475
2	2	Staff Clerks — One One	350 200	15 10	500 400	650	625
1	1	Second Class Clerk, Higher Grade	250	10	350	330	320
10	10	Second Class Clerks (1)	70	5 7l. 10s. 10	100 190 250	1,201	1,158
20	20				£	7,337	7,159
					INCREASE	£ 178	

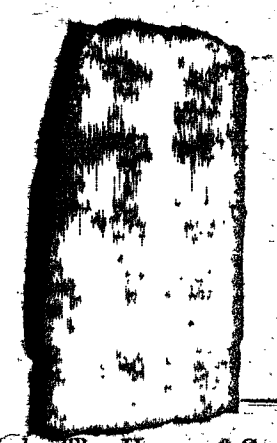
Arthur Guillum Scott, Accountant-General.

(1) Three hold Temporary Minor Staff Posts at a salary of 150*l.*

EAST INDIA

(INCOME AND EXPENDITURE).

RETURN OF THE NET INCOME AND EXPENDITURE OF BRITISH INDIA, UNDER CERTAIN SPECIFIED HEADS, FOR THE ELEVEN YEARS FROM 1893-94 TO 1903-04.



Ordered, by The House of Commons, *to be Printed,*
29 *May* 1905.

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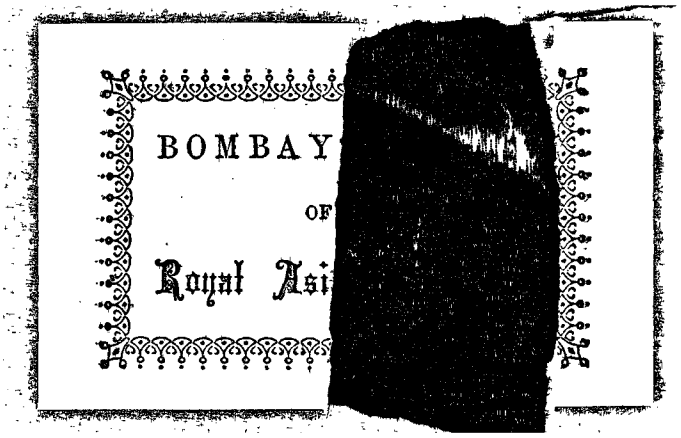
BOMBAY

OF

Royal Asi

EAST INDIA (INCOME AND EXPENDITURE).

RETURN to an Address of the Honourable The House of Commons, dated 25th May, 1905;—*for*,

"RETURN of the NET INCOME and EXPENDITURE of *British India*, under certain specified Heads, for the Eleven Years from 1893–94 to 1903–04 (in continuation of Parliamentary Paper No. 168 of Session 1904)."

India Office,
26th May 1905.

ARTHUR GODLEY,
Under Secretary of State for India.

(Sir Henry Fowler.)

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1905.

178

MEMORANDUM

In the "Financial Statement" of the Government of India, which is annually presented to Parliament, all receipts are shown on the Revenue side and all payments on the Expenditure side. In this Return of "Net Income and Expenditure," on the other hand, certain charges of revenue-earning departments are treated as deductions from revenue, and the receipts of spending departments are treated as deductions from expenditure.

The method by which the figures of Net Revenue and Expenditure are compiled from the gross figures may be seen from the following example:—

	£.
Taking the figures for the year 1903-04, the total gross Revenue was	83,756,155
The receipts under the heads of Interest, Army, Military Works, Civil Departments, Civil Works and "Miscellaneous" (which are treated in this Return as deductions from expenditure), amounted to	4,773,886
Deducting this sum, there remain the gross receipts from Land Revenue, Taxation, Opium, Forest, Tributes, Railways, Irrigation, Post Office, Telegraphs, Mint and Exchange, amounting to	78,982,269
Against this sum it is necessary to set off the charges under the heads just mentioned, including Refunds, Assignments, Working Expenses, &c. The total of these was	32,138,207
The Balance is shown in the present Return as the total Net Revenue	46,844,062
The total gross Expenditure charged against Revenue was	80,759,755
This amount includes the charges of the revenue-earning departments, which are brought to account on the Revenue side of this Return, aggregating (as mentioned above)	32,138,207
Deducting this sum, there remains the gross expenditure on Interest, Military and Civil Services, Collection of Revenue, Famine Relief and Insurance, and Provincial Adjustments amounting to	48,621,548
Against this sum it is necessary to set off the receipts of the spending departments, amounting (as mentioned above) to	4,773,886
The Balance is shown in the present Return as the total Net Expenditure	43,847,662

At the close of the tables of Expenditure on pages 5 to 11 will be found a statement of the adjustments made with the Provincial Governments. Under arrangements made by the Government of India those Governments are allowed a certain proportion of the revenue which they collect, on condition that they meet a certain proportion of the expenditure which they supervise. In a year in which the Provincial Governments spend more than the revenue assigned to them the excess has to be met from their balances, and is deducted from the total expenditure in order to show the amount charged against the Imperial Revenues; in a year in which they do not spend their full grants the surplus is added to the Provincial balances, and therefore must also be added to the actual expenditure charged against the revenue of the year before the final surplus or deficit of the year can be exhibited.

Throughout the Return transactions in rupees have been converted into sterling at the rate of 15 rupees to the pound (= 16 pence to the rupee). The addition or deduction to be made on account of the fact that the remittances from India to defray the net expenditure in England are not effected at exactly this rate, and that the Government of India is under obligations to receive certain sums and make certain payments at specified rates, is shown under the head of Exchange. In past years there has sometimes been heavy expenditure under this head, but the annual charge or receipt has now become comparatively insignificant.

India Office,
26 May 1905.

NET INCOME.

	1893-94.		1894-95.	
I. LAND REVENUE, &c., Net Receipts:	£.	£.	£.	£.
1. LAND REVENUE	16,321,602		16,202,642	
2. FOREST	1,145,789		1,082,163	
3. TRIBUTES FROM NATIVE STATES	484,480		495,313	
		17,951,871		**17,780,118**
(For Details, *see* Appendix I., pages 14 and 15.)				
II. OPIUM, Net Receipts	—	**3,164,161**	—	**3,802,020**
(For Details, *see* Appendix II., pages 18 and 19.)				
III. TAXATION, Net Receipts:				
1. SALT	5,219,543		5,527,953	
2. STAMPS	2,971,270		3,045,656	
3. EXCISE	3,543,249		3,629,471	
4. PROVINCIAL RATES	2,335,402		2,357,082	
5. CUSTOMS	1,081,347		2,504,955	
6. ASSESSED TAXES	1,145,085		1,196,472	
7. REGISTRATION	276,675		277,995	
		16,572,571		**18,539,584**
(For Details, *see* Appendix III., pages 20 and 21.)				
IV. REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS, Net Receipts *or Charges:*				
1. POST OFFICE	12,927		39,994	
2. TELEGRAPH	51,695		132,613	
3. RAILWAYS	*443,778*		*295,539*	
4. IRRIGATION	*377,342*		*408,991*	
		762,498		*531,923*
(For Details, *see* Appendix IV., pages 28 and 29.)				
V. MINT, Net Receipts *or Charges:*	—	**91,304**	—	*11,074*
(For Details *see* Appendix V., pages 36 and 37.)				
VI. EXCHANGE, Net Receipt *or Charge:*	—	*1,490,650*	—	*3,279,601*
(For Details, *see* Appendix VI., page 38.)				
Total Net Revenue	£.	**35,526,759**	£.	**36,299,124**

NET EXPENDITURE.

	1893–94		1894–95.	
	£.	£.	£.	£.
I. DEBT SERVICES—Net Interest Payments other than those charged to Railways and Irrigation: (For Details, *see* Appendix VII., pages 40 and 41).	—	**2,131,267**	—	**2,295,374**
II. MILITARY SERVICES—Net Expenditure:				
1. ARMY	14,499,163		14,457,373	
2. MILITARY WORKS	754,881		626,672	
3. SPECIAL DEFENCE WORKS	206,837		127,057	
(For Details, *see* Appendix VIII., pages 44 and 45).		**15,460,881**		**15,211,102**
III. COLLECTION OF REVENUE: (For Details, *see* Appendix IX., pages 48 and 49).	—	**4,132,305**	—	**4,202,394**
IV CIVIL SERVICES—Net Expenditure:				
1. CIVIL DEPARTMENTS (For Details, see Appendix X., pages 52 and 53).	8,613,065		8,686,546	
2. MISCELLANEOUS CIVIL CHARGES (For Details *see* Appendix XI., pages 60 and 61).	2,972,045		2,933,576	
3. CIVIL WORKS (including Construction of Railways charged to Provincial or Local Revenues):	2,710,873		2,475,180	
(For Details *see* Appendix XII., pages 64 and 65).		**14,295,983**		**14,095,302**
V. FAMINE RELIEF AND INSURANCE (For Details, *see* Appendix XIII., pages 66 and 67).	—	**745,182**	—	**406,785**
VI. PROVINCIAL ADJUSTMENTS:				
Add,—Increase of Provincial Balances by unspent Grants	—	—	—	—
Deduct,—Portion of Provincial Expenditure defrayed from Provincial Balances	—	*207,527*	—	*373,906*
Total Net Expenditure	— £.	**36,558,091**	£.	**35,837,051**
Surplus *or Deficit*	— £.	*1,031,332*	£.	**462,073**

NET INCOME.

	1895-96.		1896-97.		1897-98	
I. LAND REVENUE, &c., Net Receipts:	£.	£.	£	£	£.	£.
1. LAND REVENUE	16,709,890		15,210,187		16,365,695	
2. FOREST	1,104,431		1,151,842		1,156,685	
3. TRIBUTES FROM NATIVE STATES	500,600		575,425		562,603	
		18,314,921		**16,937,454**		**18,084,983**
(For Details, *see* Appendix I., pages 14 and 15).						
II. OPIUM, Net Receipts	—	**3,366,690**	—	**2,610,510**	—	**1,855,841**
(For Details, *see* Appendix II., pages 18 and 19.)						
III. TAXATION, Net Receipts:						
1. SALT	5,644,996		5,357,029		5,472,825	
2. STAMPS	3,117,391		3,147,393		3,189,251	
3. EXCISE	3,768,615		3,691,067		3,609,389	
4. PROVINCIAL RATES	2,464,320		2,351,501		2,478,374	
5. CUSTOMS	3,258,922		2,904,256		3,024,356	
6. ASSESSED TAXES	1,214,945		1,240,232		1,254,155	
7. REGISTRATION	282,383		304,717		323,613	
		19,751,572		**18,996,195**		**19,351,963**
(For Details, *see* Appendix III., pages 21 to 23.)						
IV REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS, Net Receipts *or Charges:*						
1. POST OFFICE	64,937		65,525		104,302	
2. TELEGRAPH	141,902		95,508		179,348	
3. RAILWAYS	*84,820*		*1,152,467*		*709,313*	
4. IRRIGATION	*450,760*		*66,742*		283,899	
		328,741		*1,058,176*		*141,764*
(For Details, *see* Appendix IV., pages 29 to 31.)						
V. MINT, Net Receipts *or Charges:*	—	*8,129*	—	**63,236**	—	**62,554**
(For Details, *see* Appendix V., pages 36 and 37.)						
VI. EXCHANGE, Net Receipt *or Charge:*	-	*2,544,626*	—	*1,562,439*	—	*644,157*
(For Details, *see* Appendix VI., pages 38 and 39.)						
Total Net Revenue	£.	**38,551,687**	£.	**35,986,780**	£.	**38,569,420**

NET EXPENDITURE.

	1895-96.		1896-97.		1897-98.	
	£.	£.	£.	£.	£.	£.
I. DEBT SERVICES—Net Interest Payments other than those charged to Railways and Irrigation	—	**1,694,615**	—	**1,309,808**	—	**1,613,037**
(For Details, *see* Appendix VII., pages 40 and 41.)						
II. MILITARY SERVICES — Net Expenditure:						
1. ARMY	15,576,903		15,091,485		17,233,297	
2. MILITARY WORKS	765,467		727,841		740,952	
3. SPECIAL DEFENCE WORKS	59,729		58,370		15,059	
(For Details, *see* Appendix VIII., pages 44 and 45.)		**16,402,099**		**15,877,696**		**17,989,308**
III. COLLECTION OF REVENUE:	—	**4,277,223**	—	**4,350,264**	—	**4,399,322**
(For Details, *see* Appendix IX., pages 48 and 49.)						
IV. CIVIL SERVICES—Net Expenditure:						
1. CIVIL DEPARTMENTS	8,894,802		9,120,198		9,321,194	
(For Details, *see* Appendix X., pages 53 to 55.)						
2. MISCELLANEOUS CIVIL CHARGES	2,995,163		3,068,836		3,125,274	
(For Details, *see* Appendix XI., pages 60 and 61.)						
3. CIVIL WORKS (including Construction of Railways charged to Provincial or Local Revenues)	2,621,390		2,662,410		2,423,868	
(For Details, *see* Appendix XII., pages 64 and 65.)		**14,511,355**		**14,851,444**		**14,870,336**
V. FAMINE RELIEF AND INSURANCE	—	**390,990**	—	**1,416,674**	—	**3,575,343**
(For Details, *see* Appendix XIII., pages 66 and 67.)						
VI. PROVINCIAL ADJUSTMENTS:						
Add,—Increase of Provincial Balances by unspent Grants	—	**252,739**	—	—	—	—
Deduct,—Portion of Provincial Expenditure defrayed from Provincial Balances	—	—	—	*682,425*	—	*305,119*
Total Net Expenditure	£.	**37,529,021**	£.	**37,123,461**	£.	**42,142,227**
Surplus *or Deficit*	£.	**1,022,666**	£.	*1,136,681*	£.	*3,572,807*

NET INCOME.

	1898–99.		1899–1900.		1900–01.	
I. LAND REVENUE, &c., Net Receipts:	£.	£.	£.	£.	£.	£.
1. LAND REVENUE	17,547,704		16,444,927		16,755,525	
2. FOREST	1,236,910		1,232,685		1,293,452	
3. TRIBUTES FROM NATIVE STATES	579,457		586,501		551,125	
		19,364,071		**18,264,113**		**18,600,102**
(For Details, *see* Appendix I., pages 15 to 17).						
II. OPIUM, Net Receipts	—	**2,230,308**	—	**2,670,589**	—	**3,312,663**
(For Details, *see* Appendix II., pages 18 and 19).						
III. TAXATION, Net Receipts:						
1. SALT	5,813,957		5,573,775		5,709,923	
2. STAMPS	3,161,672		3,225,920		3,304,786	
3. EXCISE	3,782,622		3,810,539		3,892,634	
4. PROVINCIAL RATES	2,609,663		2,495,458		2,559,474	
5. CUSTOMS	3,127,230		3,058,795		3,274,404	
6. ASSESSED TAXES	1,274,020		1,292,729		1,313,731	
7. REGISTRATION	293,175		287,164		311,758	
		20,062,339		**19,744,380**		**20,366,710**
(For Details, *see* Appendix III., pages 23 to 25).						
IV. REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS, Net Receipts *or Charges:*						
1. POST OFFICE	125,919		126,068		134,942	
2. TELEGRAPH	36,115		105,891		113,129	
3. RAILWAYS	*620,165*		76,756		325,124	
4. IRRIGATION	179,760		136,387		235,592	
		278,371		**445,102**		**808,787**
(For details, *see* Appendix IV., pages 31 to 33).						
V. MINT, Net Receipts *or Charges:*	—	*23,713*	—	**289,183**	—	**20,116**
(For details *see* Appendix V., pages 36 and 37).						
VI. EXCHANGE, Net Receipt *or Charge:*	—	**28,628**	—	*80,949*	—	*31,849*
(For Details, *see* Appendix VI., pages 38 and 39).						
Total Net Revenue	£.	**41,383,262**	£.	**41,332,418**	£.	**43,076,529**

NET EXPENDITURE.

	1898-99.		1899-1900.		1900-01.	
	£	£	£	£	£.	£
I. DEBT SERVICES—Net Interest Payments other than those Charged to Railways and Irrigation (For Details, *see* Appendix VII., pages 41 to 43.)	—	**1,311,263**	—	**1,342,283**	—	**1,487,467**
II. MILITARY SERVICES — Net Expenditure:						
1. ARMY	15,385,042		14,165,743		14,265,525	
2. MILITARY WORKS	771,493		801,782		747,187	
3. SPECIAL DEFENCE WORKS	974		874		6,864	
(For Details, *see* Appendix VIII., pages 45 to 47.)		**16,157,509**		**14,968,399**		**15,019,576**
III. COLLECTION OF REVENUE: (For Details, *see* Appendix IX., pages 49 to 51.)	—	**4,302,449**	—	**4,448,839**	—	**4,534,711**
IV. CIVIL SERVICES — Net Expenditure:						
1. CIVIL DEPARTMENTS (For Details, *see* Appendix X., pages 55 to 57.)	9,335,813		9,597,544		9,728,546	
2. MISCELLANEOUS CIVIL CHARGES (For Details, *see* Appendix XI., pages 61 to 63.)	3,193,755		3,413,756		3,426,029	
3. CIVIL WORKS (including Construction of Railways charged to Provincial or Local Revenues)	2,671,823		2,894,346		2,863,064	
(For Details, *see* Appendix XII., pages 64 and 65.)		**15,201,391**		**15,905,646**		**16,017,639**
V. FAMINE RELIEF AND INSURANCE (For Details, *see* Appendix XIII., pages 67 to 69.)	—	**791,543**	—	**2,098,848**	—	**4,156,344**
VI. PROVINCIAL ADJUSTMENTS:						
Add,—Increase of Provincial Balances by unspent Grants	—	**978,234**	—	—	—	**190,588**
Deduct,—Portion of Provincial Expenditure defrayed from Provincial Balances	—	—	—	*206,220*	—	—
Total Net Expenditure	£.	**38,742,389**	£.	**38,557,795**	£.	**41,406,325**
Surplus *or Deficit*	£.	**2,640,873**	£.	**2,774,623**	£.	**1,670,204**

NET INCOME.

	1901–02.		1902–03.		1903–04.	
I. LAND REVENUE, &c., Net Receipts:	£.	£.	£.	£.	£.	£.
1. LAND REVENUE	17,533,642		17,689,653		18,508,738	
2. FOREST	1,153,820		1,295,029		1,477,393	
3. TRIBUTES FROM NATIVE STATES	556,980		581,995		410,827	
		19,244,442		**19,566,677**		**20,396,958**
(For Details, *see* Appendix I., pages 16 and 17.)						
II. OPIUM, Net Receipts	—	**3,240,068**	—	**2,846,869**	—	**3,506,178**
(For Details, *see* Appendix II., pages 18 and 19.)						
III. TAXATION, Net Receipts:						
1. SALT	5,673,991		5,931,933		4,981,704	
2. STAMPS	3,409,436		3,434,401		3,538,237	
3. EXCISE	4,025,770		4,384,181		4,932,500	
4. PROVINCIAL RATES	2,737,448		2,741,449		2,821,967	
5. CUSTOMS	3,734,517		3,829,848		3,839,066	
6. ASSESSED TAXES	1,362,227		1,402,672		1,206,636	
7. REGISTRATION	312,081		312,659		326,041	
		21,255,470		**22,037,143**		**21,646,151**
(For Details, *see* Appendix III., pages 25 to 27.)						
IV. REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS, Net Receipts *or Charges:*						
1. POST OFFICE	103,085		83,157		103,929	
2. TELEGRAPH	3,922		*32,763*		*59,189*	
3. RAILWAYS	846,616		228,949		860,669	
4. IRRIGATION	172,872		193,746		231,756	
		1,126,495		**473,089**		**1,137,165**
(For Details, *see* Appendix IV., pages 33 to 35.)						
V. MINT, Net Receipts *or Charges:*	—	**51,340**		*12,776*		**99,181**
(For Details, *see* Appendix V., pages 36 and 37.)						
VI. EXCHANGE, Net Receipt *or Charge:*	—	**25,494**		**31,571**		**58,429**
(For Details, *see* Appendix VI., pages 38 and 39.)						
Total Net Revenue	£.	**44,943,309**	£.	**44,942,573**	£.	**46,844,062**

NET EXPENDITURE.

	1901–02.		1902–03.		1903–04.	
	£.	£.	£.	£.	£.	£.
I. DEBT SERVICES—Net Interest Payments other than those charged to Railways and Irrigation	—	**1,158,658**	—	**965,018**	—	**801,565**
(For Details, *see* Appendix VII., pages 42 and 43.)						
II. MILITARY SERVICES — Net Expenditure:						
1. ARMY	14,786,342		16,221,402		16,775,780	
2. MILITARY WORKS	917,140		1,058,368		989,571	
3. SPECIAL DEFENCE WORKS	—		—		27,054	
		15,703,482		**17,279,770**		**17,792,405**
(For Details, *see* Appendix VIII., pages 46 and 47.)						
III. COLLECTION OF REVENUE:	—	**4,582,407**	—	**4,704,858**	—	**4,938,385**
For Details, *see* Appendix IX., pages 50 and 51.)						
IV. CIVIL SERVICES—Net Expenditure:						
1. CIVIL DEPARTMENTS	9,885,601		10,366,855		10,381,887	
(For Details, *see* Appendix X., pages 57 to 59.)						
2. MISCELLANEOUS CIVIL CHARGES	3,536,876		3,894,574		3,714,097	
(For Details, *see* Appendix XI., pages 62 and 63.)						
3. CIVIL WORKS, including Construction of Railways charged to Provincial or Local Revenues	3,169,220		3,751,798		4,118,384	
(For Details, *see* Appendix XII., pages 64 and 65.)		**16,591,697**		**18,013,227**		**18,214,368**
V. FAMINE RELIEF AND INSURANCE						
(For Details, see Appendix XIII., pages 68 and 69.)	—	**884,512**	—	**982,576**	—	**905,680**
VI. PROVINCIAL ADJUSTMENTS:						
Add,—Increase of Provincial Balances by unspent Grants	—	**1,072,310**		—	—	**1,195,259**
Deduct,—Portion of Provincial Expenditure defrayed from Provincial Balances	—	—		*72,425*	—	—
Total Net Expenditure		**39,993,066**		**41,873,024**		**43,847,662**
Surplus *or Deficit*		**4,950,243**		**3,069,549**		**2,996,400**

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APPENDIX I.

LAND REVENUE, &c.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent, at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
LAND REVENUE:—RECEIPTS	255,896,090	17,059,739		17,059,739	
Deduct,—					
Assignments and Compensations	*10,555,900*	*703,727*			
Refunds	*516,140*	*34,410*			
Total	*11,072,040*	*738,137*		*738,137*	
NET RECEIPTS	—	—	—	—	16,321,602
FOREST:—RECEIPTS	17,230,220	1,148,681		1,148,681	
Deduct,—					
Refunds	*43,330*	*2,892*		*2,892*	
NET RECEIPTS	—	—	—	—	1,145,789
TRIBUTES FROM NATIVE STATES	7,743,370	516,225		516,225	
Deduct,—					
Assignments and Compensations	*471,190*	*31,412*			
Refunds	*5,000*	*333*			
Total	*476,190*	*31,745*		*31,745*	
NET RECEIPTS	—	—	—	—	484,480
NET RECEIPTS FROM LAND REVENUE, &c. (shown on pages 4 and 6)	—	—	—	—	**17,951,871**

LAND REVENUE, &c.	1896-97.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
LAND REVENUE:—RECEIPTS	239,744,890	15,982,993		15,982,993	
Deduct,—					
Assignments and Compensations	*11,022,590*	*734,839*			
Refunds	*569,510*	*37,967*			
Total	*11,592,100*	*772,806*		*772,806*	
NET RECEIPTS	—	—	—	—	15,210,187
FOREST:—RECEIPTS	17,338,690	1,155,913		1,155,913	
Deduct,—					
Refunds	*61,060*	*4,071*		*4,071*	
NET RECEIPTS	—	—	—	—	1,151,842
TRIBUTES FROM NATIVE STATES	9,017,530	601,168		601,168	
Deduct,—					
Assignments and Compensations	*386,140*	*25,743*			
Refunds	—	—			
Total	*386,140*	*25,743*		*25,743*	
NET RECEIPTS	—	—	—	—	575,425
NET RECEIPTS FROM LAND REVENUE, &c. (shown on pages 6 and 8)	—	—	—	—	**16,937,454**

APPENDIX I.

1894–95.					1895–96.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
254,082,720	16,938,848		16,938,848		262,009,550	17,467,303		17,467,303	
10,544,230	*702,949*				*10,858,740*	*723,916*			
498,860	*33,257*				*502,460*	*33,497*			
11,043,090	*736,206*		*736,206*		*11,361,200*	*757,413*		*757,413*	
—	—	—	—	16,202,642	—	—	—	—	16,709,890
16,315,480	1,087,699		1,087,699		16,605,040	1,107,003		1,107,003	
83,040	*5,536*		*5,536*		*38,570*	*2,572*		*2,572*	
—	—	—	—	1,082,163	—	—	—	—	1,104,431
7,800,700	520,046		520,046		7,923,010	528,201		528,201	
362,200	*24,146*				*414,020*	*27,601*			
8,800	*587*				—	—			
371,000	*24,733*		*24,733*	495,313	*414,020*	*27,601*		*27,601*	500,600
—	—	—	—		—	—	—	—	
—	—	—	—	**17,780,118**	—	—	—	—	**18,314,921**

1897-98.					1898–99.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
256,836,420	17,122,428		17,122,428		274,593,127	18,306,208		18,306,208	
10,777,420	*718,495*				*10,785,961*	*719,065*			
573,570	*38,238*				*591,578*	*39,439*			
11,350,990	*756,733*		*756,733*		*11,377,539*	*758,504*		*758,504*	
—	—	—	—	16,365,695	—	—	—	—	17,547,704
17,395,140	1,159,676		1,159,676		18,598,674	1,239,912		1,239,912	
44,870	*2,991*		*2,991*		*45,030*	*3,002*		*3,002*	
—	—	—	—	1,156,685	—	—	—	—	1,236,910
8,840,290	589,352		589,352		9,097,013	606,468		606,468	
397,240	*26,482*				*374,270*	*24,951*			
4,000	*267*				*30,900*	*2,060*			
401,240	*26,749*		*26,749*		*405,170*	*27,011*		*27,011*	
—	—	—	—	562,603	—	—	—	—	579,457
—	—	—	—	**18,084,983**	—	—	—	—	**19,364,071**

APPENDIX I.—*continued.*

LAND REVENUE, &c.	1899-1900.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
LAND REVENUE: RECEIPTS	258,075,841	17,205,056		17,205,056	
Deduct,—					
Assignments and Compensations	*10,914,626*	*727,641*			
Refunds	*487,324*	*32,488*			
Total	*11,401,950*	*760,129*		*760,129*	
NET RECEIPTS	—	—	—	—	16,444,927
FOREST:—RECEIPTS	18,531,380	1,235,425		1,235,425	
Deduct,—					
Refunds	*41,095*	*2,740*		*2,740*	
NET RECEIPTS	—	—	—	—	1,232,685
TRIBUTES FROM NATIVE STATES	9,225,416	615,028		615,028	
Deduct,—					
Assignments and Compensations	*421,301*	*28,081*			
Refunds	*6,600*	*440*		—	
Total	*427,901*	*28,527*		*28,527*	
NET RECEIPTS	—	—	—	—	586,501
NET RECEIPTS FROM LAND REVENUE, &c. (shown on pages 8 and 10)	—	—	—	—	**18,264,113**

LAND REVENUE, &c.	1902-03.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
LAND REVENUE:—RECEIPTS	276,552,680	18,436,845		18,436,845	
Deduct,—					
Assignments and Compensations	*10,573,003*	*704,867*			
Refunds	*634,882*	*42,325*			
Total	*11,207,885*	*747,192*		*747,192*	
NET RECEIPTS	—	—	—	—	17,689,653
FOREST:—RECEIPTS	19,471,540	1,298,103		1,298,103	
Deduct,—					
Refunds	*46,117*	*3,074*		*3,074*	
NET RECEIPTS	—	—	—	—	1,295,029
TRIBUTES FROM NATIVE STATES	9,205,728	613,715		613,715	
Deduct,—					
Assignments and Compensations	*397,184*	*26,479*			
Refunds	*78,608*	*5,241*			
Total	*475,792*	*31,720*		*31,720*	
NET RECEIPTS	—	—	—	—	581,995
NET RECEIPTS FROM LAND REVENUE, &c. (shown on page 10)	—	—	—	—	**19,566,677**

APPENDIX I.—*continued.*

1900-01.					1901-02.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
262,545,459	17,503,031		17,503,031		274,320,271	18,288,018		18,288,018	
10,751,017	*716,735*				*10,698,913*	*713,261*			
461,560	*30,771*				*616,731*	*41,115*			
11,212,577	*747,506*		*747,506*		*11,315,644*	*754,376*		*754,376*	
—	—	—	—	16,755,525	—	—	—	—	17,533,642
19,467,941	1,297,863		1,297,863		17,360,322	1,157,355		1,157,355	
66,165	*4,411*		*4,411*		*53,026*	*3,535*		*3,535*	
—	—	—	—	1,293,452	—	—	—	—	1,153,820
8,667,349	577,823		577,823		8,753,174	583,545		583,545	
388,627	*25,908*				*391,946*	*26,130*			
11,845	*790*				*6,516*	*435*			
400,472	*26,698*		*26,698*		*398,462*	*26,565*		*26,565*	
—	—	—	—	551,125	—	—	—	—	556,980
—	—	—	—	**18,600,102**	—	—	—	—	**19,244,442**

1903-04.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
288,515,816	19,234,388		19,234,388	
10,373,471	*691,565*		*691,565*	
511,280	*34,085*		*34,085*	
10,884,751	*725,650*		*725,650*	
—	—	—	—	18,508,738
22,216,747	1,481,116		1,481,116	
55,844	*3,723*		*3,723*	
—	—	—	—	1,477,393
9,136,285	609,086		609,086	
2,898,881	*193,259*		*193,259*	
75,002	*5,000*		*5,000*	
2,973,883	*198,259*		*198,259*	
—	—	—	—	410,827
—	—	—	—	**20,396,958**

APPENDIX II.

OPIUM.	1893–94.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£	£	£	£
RECEIPTS	66,275,710	4,418,381	—	4,418,381	
Deduct,—					
Charges in respect of Cultivation and Manufacture	*18,744,980*	*1,249,665*	*1,278*	*1,250,943*	
Assignments and Compensations	*49,120*	*3,275*	—	*3,275*	
Refunds	*30*	*2*	—	*2*	
Total deductions	*18,794,130*	*1,252,942*	*1,278*	*1,254,220*	
NET RECEIPTS (shown on pages 4 and 6)	—	—	—	—	**3,164,161**

	1896–97.				
	Rupees.	£	£	£	£
RECEIPTS	64,092,380	4,272,825	—	4,272,825	
Deduct,—					
Charges in respect of Cultivation and Manufacture	*24,852,270*	*1,656,818*	*882*	*1,657,700*	
Assignments and Compensations	*50,820*	*3,388*	—	*3,388*	
Refunds	*18,400*	*1,227*	—	*1,227*	
Total deductions	*24,921,490*	*1,661,433*	*882*	*1,662,315*	
NET RECEIPTS (shown on pages 6 and 8)	—	—	—	—	**2,610,510**

	1899–1900.				
	Rupees.	£	£	£	£
RECEIPTS	66,029,731	4,401,982	—	4,401,982	
Deduct,—					
Charges in respect of Cultivation and Manufacture	*25,877,224*	*1,725,148*	*2,006*	*1,727,154*	
Assignments and Compensations	*50,215*	*3,348*	—	*3,348*	
Refunds	*13,366*	*891*	—	*891*	
Total deductions	*25,940,805*	*1,729,387*	*2,006*	*1,731,393*	
NET RECEIPTS (shown on pages 8 and 10)	—	—	—	—	**2,670,589**

	1902–03.				
	Rupees.	£	£	£	£
RECEIPTS	67,476,576	4,498,438	—	4,498,438	
Deduct,—					
Charges in respect of Cultivation and Manufacture	*24,660,553*	*1,644,037*	*4,446*	*1,648,483*	
Assignments and Compensations	*45,343*	*3,023*	—	*3,023*	
Refunds	*939*	*63*	—	*63*	
Total deductions	*24,706,835*	*1,647,123*	*4,446*	*1,651,569*	
NET RECEIPTS (shown on page 10)	—	—	—	—	**2,846,869**

APPENDIX II.

1894-95.					1895-96.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£	£	£			£	£	£	
73,237,570	4,882,505	—	4,882,505		71,239,220	4,749,281	—	4,749,281	
16,135,050	*1,075,670*	*1,419*	*1,077,089*		*20,679,730*	*1,378,649*	*550*	*1,379,199*	
50,920	*3,395*	—	*3,395*		*50,770*	*3,385*	—	*3,385*	
20	*1*	—	*1*		*100*	*7*	—	*7*	
16,185,990	*1,079,066*	*1,419*	*1,080,485*		*20,730,600*	*1,382,041*	*550*	*1,382,591*	
—	—	—	—	**3,802,020**	—	—	—	—	**3,366,690**

1897-98.					1898-99.				
Rupees.	£	£	£		Rupees.	£	£	£	
51,797,720	3,453,181	—	3,453,181		57,253,305	3,816,887	—	3,816,887	
23,862,210	*1,590,814*	*1,853*	*1,592,667*		*23,709,692*	*1,580,646*	*1,545*	*1,582,191*	
50,990	*3,399*	—	*3,399*		*50,870*	*3,391*	—	*3,391*	
19,110	*1,274*	—	*1,274*		*14,950*	*997*	—	*997*	
23,932,310	*1,595,487*	*1,853*	*1,597,340*		*23,775,512*	*1,585,034*	*1,545*	*1,586,579*	
—	—	—	—	**1,855,841**	—	—	—	—	**2,230,308**

1900-1901.					1901-02.				
Rupees.	£	£	£		Rupees.	£	£	£	
76,533,633	5,102,242	—	5,102,242		72,780,334	4,852,022	—	4,852,022	
26,761,559	*1,784,104*	*1,771*	*1,785,875*		*24,101,324*	*1,606,755*	*1,935*	*1,608,690*	
51,148	*3,410*	—	*3,410*		*44,410*	*2,961*	—	*2,961*	
4,415	*294*	—	*294*		*4,543*	*303*	—	*303*	
26,817,122	*1,787,808*	*1,771*	*1,789,579*		*24,150,277*	*1,610,019*	*1,935*	*1,611,954*	
—	—	—	—	**3,312,663**	—	—	—	—	**3,240,068**

1902-04.				
Rupees.	£	£	£	
86,040,675	5,736,045	—	5,736,045	
33,332,160	*2,222,144*	*3,600*	*2,225,744*	
60,386	*4,026*	—	*4,026*	
1,452	*97*	—	*97*	
33,393,998	*2,226,267*	*3,600*	*2,229,867*	
—	—	—	—	**3,506,178**

APPENDIX III.

TAXATION.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
SALT:—RECEIPTS	82,288,760	5,485,917	—	5,485,917	
Deduct,—					
Assignments and Compensations	*3,672,960*	*244,864*			
Refunds	*322,660*	*21,510*			
Total	*3,995,620*	*266,374*		*266,374*	
NET RECEIPTS	—	—	—	—	5,219,543
STAMPS:—RECEIPTS	45,093,510	3,006,234		3,006,234	
Deduct,—					
Refunds	*524,460*	*34,964*		*34,964*	
NET RECEIPTS	—	—	—	—	2,971,270
EXCISE:—RECEIPTS	53,885,730	3,592,382		3,592,382	
Deduct,—					
Assignments and Compensations	*383,040*	*25,536*			
Refunds	*353,960*	*23,597*			
Total	*737,000*	*49,133*		*49,133*	
NET RECEIPTS	—	—	—	—	3,543,249
PROVINCIAL RATES:—RECEIPTS	35,145,710	2,343,047		2,343,047	
Deduct,—					
Refunds	*114,670*	*7,645*		*7,645*	
NET RECEIPTS	—	—	—	—	2,335,402
CUSTOMS:—RECEIPTS	16,823,730	1,121,582		1,121,582	
Deduct,—					
Assignments and Compensations	*150,390*	*10,026*			
Refunds and Drawbacks	*453,130*	*30,209*			
Total	*603,520*	*40,235*		*40,235*	
NET RECEIPTS	—	—	—	—	1,081,347
ASSESSED TAXES:—RECEIPTS	17,391,710	1,159,447		1,159,447	
Deduct,—					
Refunds	*215,440*	*14,362*		*14,362*	
NET RECEIPTS	—	—	—	—	1,145,085
REGISTRATION:—RECEIPTS	4,161,460	277,431		277,431	
Deduct,—					
Refunds	*11,330*	*756*		*756*	
NET RECEIPTS	—	—	—	—	276,675
TOTAL RECEIPTS FROM TAXATION	254,790,610	16,986,040		16,986,040	
DEDUCT,—					
ASSIGNMENTS AND COMPENSATIONS	*4,206,390*	*280,426*			
REFUNDS AND DRAWBACKS	*1,995,650*	*133,043*			
TOTAL	*6,202,040*	*413,469*		*413,469*	
TOTAL NET RECEIPTS (shown on pages 4 and 6)	—	—	—	—	**16,572,571**

APPENDIX III.

1894-95.					1895-96.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
86,657,490	5,777,166		5,777,166		88,618,450	5,907,897		5,907,897	
3,369,810	*224,654*				*3,581,810*	*238,787*			
368,390	*24,559*				*361,710*	*24,114*			
3,738,200	*249,213*		*249,213*		*3,943,520*	*262,901*		*262,901*	
—	—	—	—	5,527,953	—	—	—	—	5,644,996
46,256,800	3,083,787		3,083,787		47,270,550	3,151,370		3,151,370	
571,960	*38,131*		*38,131*		*509,680*	*33,979*		*33,979*	
—	—	—	—	3,045,656	—	—	—	—	3,117,391
55,276,760	3,685,118		3,685,118		57,224,170	3,814,944		3,814,944	
561,970	*37,465*				*466,470*	*31,098*			
272,730	*18,182*				*228,470*	*15,231*			
834,700	*55,647*		*55,647*		*694,940*	*46,329*		*46,329*	
—	—	—	—	3,629,471	—	—	—	—	3,768,615
35,411,540	2,360,769		2,360,769		37,070,050	2,471,337		2,471,337	
55,310	*3,687*		*3,687*		*105,250*	*7,017*		*7,017*	
—	—	—	—	2,357,082	—	—	—	—	2,464,320
38,549,550	2,569,970		2,569,970		50,172,780	3,344,852		3,344,852	
174,370	*11,625*				*175,380*	*11,692*			
800,850	*53,390*				*1,113,570*	*74,238*			
975,220	*65,015*		*65,015*		*1,288,950*	*85,930*		*85,930*	
—	—	—	—	2,504,955	—	—	—	—	3,258,922
18,080,600	1,205,373		1,205,373		18,351,890	1,223,459		1,223,459	
133,520	*8,901*		*8,901*		*127,710*	*8,514*		*8,514*	
—	—	—	—	1,196,472	—	—	—	—	1,214,945
4,182,000	278,800		278,800		4,248,700	283,247		283,247	
12,070	*805*		*805*		*12,970*	*864*		*864*	
—	—	—	—	277,995	—	—	—	—	282,383
284,414,740	18,960,983		18,960,983		302,956,590	20,197,106		20,197,106	
4,106,150	*273,744*				*4,223,660*	*281,577*			
2,214,830	*147,655*				*2,459,360*	*163,957*			
6,320,980	*421,399*		*421,399*		*6,683,020*	*445,534*		*445,534*	
—	—	—	—	**18,539,584**	—	—	—	—	**19,751,572**

APPENDIX III.—*continued.*

TAXATION.	1896-97.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	
SALT:—RECEIPTS	84,217,050	5,614,470	—	5,614,470	
Deduct,—					
Assignments and Compensations	*3,544,220*	*236,281*			
Refunds	*317,400*	*21,160*			
Total	*3,861,620*	*257,441*		*257,441*	
NET RECEIPTS	—	—	—	—	5,357,029
STAMPS:—RECEIPTS	47,777,420	3,185,162		3,185,162	
Deduct,—					
Refunds	*566,530*	*37,769*		*37,769*	
NET RECEIPTS	—	—	—	—	3,147,393
EXCISE:—RECEIPTS	56,142,000	3,742,800		3,742,800	
Deduct,—					
Assignments and Compensations	*459,120*	*30,608*			
Refunds	*316,870*	*21,125*			
Total	*775,990*	*51,733*		*51,733*	
NET RECEIPTS	—	—	—	—	3,691,067
PROVINCIAL RATES:—RECEIPTS	35,368,550	2,357,903		2,357,903	
Deduct,—					
Refunds	*96,030*	*6,402*		*6,402*	
NET RECEIPTS	—	—	—	—	2,351,501
CUSTOMS:—RECEIPTS	44,914,770	2,994,318		2,994,318	
Deduct,—					
Assignments and Compensations	*157,900*	*10,527*			
Refunds and Drawbacks	*1,193,030*	*79,535*			
Total	*1,350,930*	*90,062*		*90,062*	
NET RECEIPTS	—	—	—	—	2,904,256
ASSESSED TAXES:—RECEIPTS	18,728,090	1,248,539		1,248,539	
Deduct,—					
Refunds	*124,610*	*8,307*		*8,307*	
NET RECEIPTS	—	—	—	—	1,240,232
REGISTRATION:—RECEIPTS	4,582,710	305,514		305,514	
Deduct,—					
Refunds	*11,960*	*797*		*797*	
NET RECEIPTS	—	—	—	—	304,717
TOTAL RECEIPTS FROM TAXATION	291,730,590	19,448,706		19,448,706	
DEDUCT,—					
ASSIGNMENTS AND COMPENSATIONS	*4,161,240*	*277,416*			
REFUNDS AND DRAWBACKS	*2,626,430*	*175,095*			
TOTAL	*6,787,670*	*452,511*		*452,511*	
TOTAL NET RECEIPTS (shown on pages 6 and 8)	—	—	—	—	**18,996,195**

APPENDIX III.—*continued.*

1897-98.					1898-99.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.			£.	£.	£.	£.
85,942,250	5,729,483		5,729,483		90,998,713	6,066,581		6,066,581	
3,562,860	*237,524*				*3,409,840*	*227,323*			
287,010	*19,134*				*379,520*	*25,301*			
3,849,870	*256,658*		*256,658*		*3,789,360*	*252,624*		*252,624*	
—	—	—	—	5,472,825	—	—	—	—	5,813,957
48,370,430	3,224,695		3,224,695		47,976,496	3,198,433		3,198,433	
531,660	*35,444*		*35,444*		*551,410*	*36,761*		*36,761*	
—	—	—	—	3,189,251	—	—	—	—	3,161,672
54,894,540	3,659,636		3,659,636		57,434,221	3,828,948		3,828,948	
443,570	*29,571*				*406,760*	*27,117*			
310,130	*20,676*				*288,140*	*19,209*			
753,700	*50,247*		*50,247*		*694,900*	*46,326*		*46,326*	
—	—	—	—	3,609,389	—	—	—	—	3,782,622
37,232,900	2,482,194		2,482,194		39,221,430	2,614,762		2,614,762	
57,300	*3,820*		*3,820*		*76,490*	*5,099*		*5,099*	
—	—	—	—	2,478,374	—	—	—	—	2,609,662
46,412,950	3,094,197		3,094,197		48,021,619	3,201,441		3,201,441	
185,400	*12,360*				*173,600*	*11,573*			
862,220	*57,481*				*939,568*	*62,638*			
1,047,620	*69,841*		*69,841*		*1,113,168*	*74,211*		*74,211*	
—	—	—	—	3,024,356	—	—	—	—	3,127,230
18,954,650	1,263,643		1,263,643		19,221,914	1,281,461		1,281,461	
142,320	*9,488*		*9,488*		*111,610*	*7,441*		*7,441*	
—	—	—	—	1,254,155	—	—	—	—	1,274,020
4,865,440	324,363		324,363		4,411,758	294,117		294,117	
11,250	*750*		*750*		*14,140*	*942*		*942*	
—	—	—	—	323,613	—	—	—	—	293,175
296,673,160	19,778,211		19,778,211		307,286,151	20,485,743		20,485,743	
4,191,830	*279,455*				*3,990,200*	*266,013*			
2,201,890	*146,793*				*2,360,878*	*157,391*			
6,393,720	*426,248*		*426,248*		*6,351,078*	*423,404*		*423,404*	
—	—	—	—	**19,351,963**	—	—	—	—	**20,062,339**

APPENDIX III.—*continued.*

TAXATION.	1899-1900.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
SALT:—RECEIPTS	87,756,944	5,850,463		5,850,463	
Deduct,—					
Assignments and Compensations	*3,854,656*	*256,977*			
Refunds	*295,673*	*19,711*			
Total	*4,150,329*	*276,688*		*276,688*	
NET RECEIPTS	—	—		—	5,573,775
STAMPS:—RECEIPTS	48,982,151	3,265,476		3,265,476	
Deduct,—					
Refunds	*593,335*	*39,556*		*39,556*	
NET RECEIPTS	—	—		—	3,225,920
EXCISE:—RECEIPTS	57,899,125	3,859,942		3,859,942	
Deduct,—					
Assignments and Compensations	*447,100*	*29,807*			
Refunds	*293,938*	*19,596*			
Total	*741,038*	*49,403*		*49,403*	
NET RECEIPTS	—	—		—	3,810,539
PROVINCIAL RATES:—RECEIPTS	37,481,751	2,498,783		2,498,783	
Deduct,—					
Refunds	*49,883*	*3,325*		*3,325*	
NET RECEIPTS	—	—		—	2,495,458
CUSTOMS:—RECEIPTS	47,006,862	3,133,791		3,133,791	
Deduct,—					
Assignments and Compensations	*177,489*	*11,832*			
Refunds and Drawbacks	*947,463*	*63,164*			
Total	*1,124,952*	*74,996*		*74,996*	
NET RECEIPTS	—	—		—	3,058,795
ASSESSED TAXES:—RECEIPTS	19,504,416	1,300,295		1,300,295	
Deduct,—					
Refunds	*113,484*	*7,566*		*7,566*	
NET RECEIPTS	—	—		—	1,292,729
REGISTRATION:—RECEIPTS	4,321,330	288,089		288,089	
Deduct,—					
Refunds	*13,872*	*925*		*925*	
NET RECEIPTS	—	—		—	287,164
TOTAL RECEIPTS FROM TAXATION	302,952,579	20,196,839		20,196,839	
DEDUCT,—					
ASSIGNMENTS AND COMPENSATIONS	*4,479,245*	*298,616*			
REFUNDS AND DRAWBACKS	*2,307,648*	*153,843*			
TOTAL	*6,786,893*	*452,459*		*452,459*	
TOTAL NET RECEIPTS (shown on pages 8 and 10)	—	—		—	**19,744,380**

APPENDIX III.—*continued.*

1900-01.					1901-02.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£	£.	£.	£.
89,505,516	5,967,034		5,967,034		89,089,644	5,939,310		5,939,310	
3,547,702	*236,513*				*3,577,612*	*238,508*			
308,973	*20,598*				*402,170*	*26,811*			
3,856,675	*257,111*		*257,111*		*3,979,782*	*265,319*		*265,319*	
—	—	—	—	5,709,923	—	—	—	—	5,673,991
50,144,217	3,342,948		3,342,948		51,696,083	3,446,406		3,446,406	
572,437	*38,162*		*38,162*		*554,550*	*36,970*		*36,970*	
—	—	—	—	3,304,786	—	—	—	—	3,409,436
59,058,032	3,937,202		3,937,202		61,150,214	4,076,681		4,076,681	
417,373	*27,825*				*542,422*	*36,161*			
251,149	*16,743*				*221,250*	*14,750*			
668,522	*44,568*		*44,568*		*763,672*	*50,911*		*50,911*	
—	—	—	—	3,892,634	—	—	—	—	4,025,770
38,440,692	2,562,713		2,562,713		41,147,317	2,743,154		2,743,154	
48,590	*3,239*		*3,239*		*85,594*	*5,706*		*5,706*	
—	—	—	—	2,559,474	—	—	—	—	2,737,448
50,573,957	3,371,597		3,371,597		57,495,288	3,833,019		3,833,019	
173,113	*11,541*				*174,679*	*11,645*			
1,284,774	*85,652*				*1,302,850*	*86,857*			
1,457,887	*97,193*		*97,193*		*1,477,529*	*98,502*		*98,502*	
—	—	—	—	3,274,404	—	—	—	—	3,734,517
19,831,402	1,322,094		1,322,094		20,539,654	1,369,310		1,369,310	
125,438	*8,363*		*8,363*		*106,249*	*7,083*		*7,083*	
—	—	—	—	1,313,731	—	—	—	—	1,362,227
4,688,373	312,558		312,558		4,694,179	312,945		312,945	
11,998	*800*		*800*		*12,954*	*864*		*864*	
—	—	—	—	311,758	—	—	—	—	312,081
312,242,189	20,816,146		20,816,146		325,812,379	21,720,825		21,720,825	
4,138,188	*275,879*				*4,294,713*	*286,314*			
2,603,359	*173,557*				*2,685,617*	*179,041*			
6,741,547	*449,436*		*449,436*		*6,980,330*	*465,355*		*465,355*	
—	—	—	—	20,366,710	—	—	—	—	21,255,470

APPENDIX III.—*continued.*

TAXATION.	1902–03.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£	£	£	£.
SALT :—RECEIPTS	92,766,069	6,184,405		6,184,405	
Deduct,—					
Assignments and Compensations	*3,500,907*	*233,394*			
Refunds	*286,165*	*19,078*			
Total	*3,787,072*	*252,472*		*252,472*	
NET RECEIPTS	—	—	—	—	5,931,933
STAMPS :—RECEIPTS	52,105,667	3,473,711		3,473,711	
Deduct,—					
Refunds	*589,640*	*39,310*		*39,310*	
NET RECEIPTS	—	—	—	—	3,434,401
EXCISE :—RECEIPTS	66,399,629	4,426,642		4,426,642	
Deduct,—					
Assignments and Compensations	*408,126*	*27,208*			
Refunds	*228,799*	*15,253*			
Total	*636,925*	*42,461*		*42,461*	
NET RECEIPTS	—	—	—	—	4,384,181
PROVINCIAL RATES :—RECEIPTS	41,210,854	2,747,390		2,747,390	
Deduct,—					
Refunds	*89,113*	*5,941*		*5,941*	
NET RECEIPTS	—	—	—	—	2,741,449
CUSTOMS :—RECEIPTS	59,664,538	3,977,636		3,977,636	
Deduct,—					
Assignments and Compensations	*179,716*	*11,981*			
Refunds and Drawbacks	*2,037,113*	*135,807*			
Total	*2,216,829*	*147,788*		*147,788*	
NET RECEIPTS	—	—	—	—	3,829,848
ASSESSED TAXES :—RECEIPTS	21,156,423	1,410,428		1,410,428	
Deduct,—					
Refunds	*116,340*	*7,756*		*7,756*	
NET RECEIPTS	—	—	—	—	1,402,672
REGISTRATION :—RECEIPTS	4,703,801	313,587		313,587	
Deduct,—					
Refunds	*13,926*	*928*		*928*	
NET RECEIPTS	—	—	—	—	312,659
TOTAL RECEIPTS FROM TAXATION	338,006,981	22,533,799		22,533,799	
DEDUCT,—					
ASSIGNMENTS AND COMPENSATIONS	*4,088,749*	*272,583*			
REFUNDS AND DRAWBACKS	*3,361,096*	*224,073*			
TOTAL	*7,449,845*	*496,656*		*496,650*	
TOTAL NET RECEIPTS (shown on page 10)	—	—	—	—	**22,037,143**

APPENDIX III.—*continued.*

1903–04.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
78,756,973	5,250,465		5,250,465	
3,574,528	*238,302*			
456,891	*30,459*			
4,031,419	*268,761*		*268,761*	
—	—	—	—	4,981,704
53,703,699	3,580,247		3,580,247	
630,153	*42,010*		*42,010*	
—	—	—	—	3,538,237
74,701,446	4,980,096		4,980,096	
440,051	*29,337*			
273,881	*18,259*			
713,932	*47,596*		*47,596*	
—	—	—	—	4,932,500
42,380,228	2,825,349		2,825,349	
50,736	*3,382*		*3,382*	
—	—	—	—	2,821,967
59,494,470	3,966,298		3,966,298	
176,367	*11,758*			
1,732,108	*115,474*			
1,908,472	*127,232*		*127,232*	
—	—	—	—	3,839,066
18,219,976	1,214,665		1,214,665	
120,441	*8,029*		*8,029*	
—	—	—	—	1,206,636
4,903,536	326,902		326,902	
12,915	*861*		*861*	
—	—	—	—	326,041
332,860,328	22,144,022		22,144,022	
4,190,946	*279,397*			
3,277,125	*218,474*			
7,468,071	*497,871*		*497,871*	
—	—	—	—	21,646,151

APPENDIX IV.

REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
1. POST OFFICE:		£.	£.	£.	£.
Receipts	15,612,630	1,040,842	—	1,040,842	
Deduct,—Charges	*13,858,830*	*923,922*	*103,993*	*1,027,915*	
NET RECEIPTS (*or Charges*)	1,753,800	116,920	*103,993*	12,927	12,927
2. TELEGRAPH:					
Receipts	9,556,960	637,131	2,061	639,192	
Deduct,—Charges	*6,721,780*	*448,119*	*139,378*	*587,497*	
NET RECEIPTS (*or Charges*)	2,835,180	189,012	*137,317*	51,695	51,695
3. RAILWAYS:					
Receipts:					
State Railways:					
Gross Receipts	168,787,270	11,252,485	230	11,252,715	
Working Expenses	*82,639,750*	*5,509,317*	—	*5,509,317*	
NET TRAFFIC RECEIPTS	86,147,520	5,743,168	230	5,743,398	
Guaranteed Railways: Net Traffic Receipts	33,838,120	2,255,875	—	2,255,875	
Subsidised Companies: Repayment of Advances of Interest	340,540	22,702	—	22,702	
TOTAL	120,326,180	8,021,745	230	8,021,975	
Charges:					
State Railways:					
*Interest and Annuities**	*33,589,680*	*2,239,312*	*3,589,593*	*5,828,905*	
Guaranteed Railways:					
Interest, Surplus Profits, Land, &c.	*6,077,530*	*405,169*	*2,154,720*	*2,559,889*	
Subsidised Companies: Land, &c.	*210,000*	*14,000*	—	*14,000*	
Miscellaneous: Surveys and Central Establishments	*1,034,390*	*68,959*	—	*68,959*	
TOTAL	*40,911,600*	*2,727,440*	*5,744,313*	*8,471,753*	
TOTAL NET RECEIPTS (*or Charges*)	79,414,580	5,294,305	*5,744,083*	*449,778*	*449,778*
4. IRRIGATION:					
Major Works (or Works for which Capital and Revenue Accounts are kept):					
Direct Receipts	13,496,850	899,790	—	899,790	
Working Expenses	*7,889,570*	*525,971*	—	*525,971*	
	5,607,280	373,819	—	373,819	
Portion of Land Revenue due to Irrigation	7,469,260	497,951	—	497,951	
	13,076,540	871,770	—	871,770	
Interest on Debt	*11,655,580*	*777,039*	—	*777,039*	
NET RECEIPTS FROM MAJOR WORKS	1,420,960	94,731	—	94,731	
Minor Works and Navigation:					
Receipts	1,997,980	133,199	—	133,199	
Charges	*9,064,650*	*604,310*	*962*	*605,272*	
Net Charges FOR MINOR WORKS	*7,066,670*	*471,111*	*962*	*472,073*	
TOTAL NET RECEIPTS (*or Charges*)	*5,645,710*	*376,380*	*962*	*377,342*	*377,342*
TOTAL NET RECEIPTS (*or Charges*) FOR COMMERCIAL UNDERTAKINGS (shown on pages 4 and 6	78,357,850	5,223,857	*5,986,355*	*762,498*	*762,498*

In the Annuities are comprised the following payments in redemption of capital, according to an actuarial calculation :—

	1893–4.	1894–5.	1895–6.
	£.	£.	£.
East Indian Railway	114,160	119,123	124,299
Eastern Bengal Railway	11,855	12,317	12,796
Scinde, Punjab, and Delhi Railway	47,356	49,184	51,084
TOTAL £.	173,371	180,624	188,179

APPENDIX IV.

1894–95.					1895–96.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
16,318,150	1,087,877	—	1,087,877		17,134,950	1,142,330	—	1,142,330	
14,161,430	*944,095*	*103,788*	*1,047,883*		*14,560,900*	*970,727*	*106,666*	*1,077,393*	
2,156,720	143,782	*103,788*	39,994	39,994	2,574,050	171,603	*106,666*	64,937	64,937
9,706,110	647,074	4,414	651,488		10,758,510	717,234	5,733	722,967	
6,444,140	*429,609*	*89,266*	*518,875*		*7,199,910*	*479,994*	*101,071*	*581,065*	
3,261,970	217,465	*84,852*	132,613	132,613	3,558,600	237,240	*95,338.*	141,902	141,902
181,517,340	12,101,156	230	12,101,386		185,582,940	12,372,196	230	12,372,426	
87,910,310	*5,860,687*	—	*5,860,687*		*90,408,360*	*6,027,224*	—	*6,027,224*	
93,607,030	6,240,469	230	6,240,699		95,174,580	6,344,972	230	6,345,202	
30,503,110	2,033,540	—	2,033,540		32,752,380	2,183,492	—	2,183,492	
416,940	27,796	—	27,796		252,520	16,835	—	16,835	
124,527,080	8,301,805	230	8,302,035		128,179,480	8,545,299	230	8,545,529	
35,322,220	*2,354,815*	*3,584,284*	*5,939,099*		*37,008,130*	*2,467,209*	*3,586,219*	*6,053,428*	
6,385,880	*425,725*	*2,154,714*	*2,580,439*		*5,331,370*	*355,425*	*2,161,563*	*2,516,988*	
166,940	*11,129*	—	*11,129*		*182,510*	*12,167*	—	*12,167*	
1,003,600	*66,907*	—	*66,907*		*716,490*	*47,766*	—	*47,766*	
42,878,640	*2,858,576*	*5,738,998*	*8,597,574*		*43,238,500*	*2,882,567*	*5,747,782*	*8,630,349*	
81,648,440	5,443,229	*5,738,768*	*295,539*	*295,539*	84,940,980	5,662,732	*5,747,552*	*84,820*	*84,820*
13,705,870	913,725	—	913,725		12,794,080	852,938	—	852,938	
7,997,590	*533,173*	—	*533,173*		*7,873,010*	*524,867*	—	*524,867*	
5,708,280	380,552	—	380,552		4,921,070	328,071	—	328,071	
7,761,390	517,426	—	517,426		8,216,640	547,776	—	547,776	
13,469,670	897,978	—	897,978		13,137,710	875,847	—	875,847	
11,941,150	*796,077*	—	*796,077*		*12,224,090*	*814,939*	—	*814,939*	
1,528,520	101,901	—	101,901		913,620	60,908	—	60,908	
9,562,610	*637,507*	*1,444*	*638,951*		1,988,810	132,587	—	132,587	
1 920,890	128,059	—	128,059		*9,651,260*	*643,417*	*838*	*644,255*	
7,641,720	*509,448*	*1,444*	*510,892*		*7,662,450*	*510,830*	*838*	*511,668*	
6,113,200	*407,547*	*1,444*	*408,991*	*408,991*	*6,748,830*	*449,922*	*838*	*450,760*	*450,760*
80,953,330	5,396,929	*5,928,852*	*531,923*	*531,923*	84,324,800	5,621,653	*5,950,394*	*328,741*	*328,741*

APPENDIX IV.—*continued.*

REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS.	1896-97.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
1. POST OFFICE:		£.	£.	£.	£.
Receipts	17,834,740	1,188,982	—	1,188,982	
Deduct,—Charges	*15,180,080*	*1,012,005*	*111,452*	*1,123,457*	
NET RECEIPTS (*or Charges*)	2,654,660	176,977	*111,452*	65,525	65,525
2. TELEGRAPH:					
Receipts	10,651,810	710,121	3,819	713,940	
Deduct,—Charges	*7,494,040*	*499,603*	*118,829*	*618,432*	
NET RECEIPTS (*or Charges*)	3,157,770	210,518	*115,010*	95,508	95,508
3. RAILWAYS:					
Receipts:					
State Railways:					
Gross Receipts	176,392,220	11,759,481	230	11,759,711	
Working Expenses	*88,195,530*	*5,879,702*	—	*5,879,702*	
NET TRAFFIC RECEIPTS	88,196,690	5,879,779	230	5,880,009	
Guaranteed Railways: Net Traffic Receipts	26,341,640	1,756,109	—	1,756,109	
Subsidised Companies: Repayment of Advances of Interest	240,520	16,035	—	16,035	
TOTAL	114,778,850	7,651,923	230	7,652,153	
Charges:					
State Railways:					
*Interest and Annuities**	*38,885,490*	*2,592,366*	*3,629,600*	*6,221,966*	
Guaranteed Railways:					
Interest, Surplus Profits, Land, &c.	*4,836,100*	*322,407*	*2,160,967*	*2,483,374*	
Subsidised Companies: Land, &c.	*850,200*	*56,680*	—	*56,680*	
Miscellaneous: Surveys and Central Establishments	*639,010*	*42,600*	—	*42,600*	
Total	*45,210,800*	*3,014,053*	*5,790,567*	*8,804,620*	
TOTAL NET RECEIPTS (*or Charges*)	69,568,050	4,637,870	*5,790,337*	*1,152,467*	*1,152,467*
4. IRRIGATION:					
Major Works (or Works for which Capital and Revenue Accounts are kept):					
Direct Receipts	20,679,610	1,378,641	—	1,378,641	
Working Expenses	*8,711,800*	*580,787*	—	*580,787*	
	11,967,810	797,854	—	797,854	
Portion of Land Revenue due to Irrigation	8,718,080	581,205	—	581,205	
	20,685,890	1,379,059	—	1,379,059	
Interest on Debt	*12,534,790*	*835,652*	—	*835,652*	
NET RECEIPTS FROM MAJOR WORKS	8,151,100	543,407	—	543,407	
Minor Works and Navigation:					
Receipts	2,108,700	140,580	—	140,580	
Charges	*11,237,020*	*749,135*	*1,594*	*750,729*	
Net Charges FOR MINOR WORKS	*9,128,320*	*608,555*	*1,594*	*610,149*	
TOTAL NET RECEIPTS (*or Charges*)	*977,220*	*65,148*	*1,594*	*66,742*	*66,742*
TOTAL NET RECEIPTS (*or Charges*) FOR COMMERCIAL UNDERTAKINGS (shown on pages 6 and 8)	74,403,260	4,960,217	*6,018,393*	*1,058,176*	*1,058,176*

* In the Annuities are comprised the following payments in redemption of capital, according to an actuarial calculation:—

	1896-7.	1897-8.	1898-9.
	£.	£.	£.
East Indian Railway	129,702	135,339	141,221
Eastern Bengal Railway	13,293	13,810	14,347
Scinde, Punjab, and Delhi Railway	53,057	55,105	57,233
TOTAL £.	196,052	204 254	212,801

APPENDIX IV.—*continued.*

1897–98.					1898–99.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
18,791,630	1,252,775	—	1,252,775		19,140,671	1,276,045	—	1,276,045	
15,619,620	*1,041,308*	*107,165*	*1,148,473*		*15,586,694*	*1,039,113*	*111,013*	*1,150,126*	
3,172,010	211,467	*107,165*	104,302	104,302	3,553,977	236,932	*111,013*	125,919	125,919
13,028,230	868,549	4,163	872,712		10,696,792	713,119	7,417	720,536	
7,679,710	*511,981*	*181,383*	*693,364*		*7,831,225*	*522,082*	*162,339*	*684,421*	
5,348,520	356,568	*177,220*	179,348	179,348	2,865,567	191,037	154,922	36,115	36,115
190,441,650	12,696,110	230	12,696,340		196,136,243	13,075,750	230	13,075,980	
92,012,020	*6,134,135*	—	*6,134,135*		*99,852,913*	*6,656,861*	—	*6,656,861*	
98,429,630	6,561,975	230	6,562,205		96,283,330	6,418,889	230	6,419,119	
22,013,920	1,467,595	—	1,467,595		30,826,730	2,055,115	—	2,055,115	
129,900	8,660	1,266	9,926		437,146	29,143	296	29,439	
120,573,450	8,038,230	1,496	8,039,726		127,547,206	8,503,147	526	8,503,673	
40,955,930	*2,730,395*	*3,687,127*	*6,417,522*		*43,092,506*	*2,872,834*	*3,711,690*	*6,584,524*	
1,351,120	*90,074*	*2,154,784*	*2,244,858*		*4,064,429*	*270,962*	*2,162,525*	*2,433,487*	
1,137,600	*75,840*	—	*75,840*		*1,044,051*	*69,603*	—	*69,603*	
162,290	*10,819*	—	*10,819*		*543,366*	*36,224*	—	*36,224*	
43,606,940	*2,907,128*	*5,841,911*	*8,749,039*		*48,744,352*	*3,249,623*	*5,874,215*	*9,123,838*	
76,966,510	5,131,102	*5,840,415*	*709,313*	*709,313*	78,802,854	5,253,524	*5,873,689*	*620,165*	*620,165*
23,777,440	1,585,163	—	1,585,163		22,129,300	1,475,287	—	1,475,287	
8,921,190	*594,746*	—	*594,746*		*9,403,929*	*626,929*	—	*626,929*	
14,856,250	990,417	—	990,417		12,725,371	848,358	—	848,358	
9,647,380	643,158	—	643,158		10,087,584	672,505	—	672,505	
24,503,630	1,633,575	—	1,633,575		22,812,955	1,520,863	—	1,520,863	
12,842,490	*856,166*	—	*856,166*		*13,126,938*	*875,129*	—	*875,129*	
11,661,140	777,409	—	777,409		9,686,017	645,734	—	645,734	
2,273,820	151,588	—	151,588		2,413,856	160,924	—	160,924	
9,659,710	*643,981*	*1,117*	*645,098*		*9,376,241*	*625,083*	*1,815*	*626,898*	
7,385,890	*492,393*	*1,117*	*493,510*		*6,962,385*	*464,159*	*1,815*	*465,974*	
4,275,250	285,016	*1,117*	283,899	283,899	2,723,632	181,575	*1,815*	179,760	179,760
89,762,290	5,984,153	*6,125,917*	*141,764*	*141,764*	87,946,030	5,863,068	*6,141,439*	*278,371*	*278,371*

APPENDIX IV.—*continued.*

REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS.	1899–1900.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
1. POST OFFICE:		£.	£.	£.	£.
Receipts	19,624,722	1,308,315	—	1,308,315	
Deduct,—Charges	*16,303,233*	*1,086,882*	*95,365*	*1,182,247*	
NET RECEIPTS (*or Charges*)	3,321,489	221,433	*95,365*	126,068	126,068
2. TELEGRAPH:					
Receipts	12,393,431	826,229	6,444	832,673	
Deduct,—Charges	*8,311,045*	*554,070*	*172,712*	*726,782*	
NET RECEIPTS (*or Charges*)	4,082,386	272,159	166,268	105,891	105,891
3. RAILWAYS:					
Receipts:					
State Railways:					
Gross Receipts	219,794,896	14,652,993	230	14,653,223	
Working Expenses	*107,217,062*	*7,147,804*	—	*7,147,804*	
NET TRAFFIC RECEIPTS	112,577,834	7,505,189	230	7,505,419	
Guaranteed Railways: Net Traffic Receipts	28,608,228	1,907,215	—	1,907,215	
Subsidised Companies: Repayment of Advances of Interest	395,755	26,384	1,023	27,407	
TOTAL	141,581,817	9,438,788	1,253	9,440,041	
Charges:					
State Railways:					
*Interest and Annuities**	*45,252,508*	*3,016,834*	*3,741,444*	*6,758,278*	
Guaranteed Railways:					
Interest, Surplus Profits, Land, &c.	*5,279,387*	*351,959*	*2,172,336*	*2,524,295*	
Subsidised Companies: Land, &c.	*571,433*	*38,096*	—	*38,096*	
Miscellaneous: Surveys and Central Establishments	*639,242*	*42,616*	—	*42,616*	
Total	*51,742,570*	*3,449,505*	*5,913,780*	*9,363,285*	
TOTAL NET RECEIPTS (*or Charges*)	89,839,247	5,989,283	*5,912,527*	76,756	76,756
4. IRRIGATION:					
Major Works (or Works for which Capital and Revenue Accounts are kept):					
Direct Receipts	23,677,938	1,578,529	—	1,578,529	
Working Expenses	*9,971,283*	*664,753*	—	*664,753*	
	13,706,655	913,776	—	913,776	
Portion of Land Revenue due to Irrigation	10,052,606	670,174	—	670,174	
	23,759,261	1,583,950	—	1,583,950	
Interest on Debt	*13,451,236*	*896,749*	—	*896,749*	
NET RECEIPTS FROM MAJOR WORKS	10,308,025	687,201	—	687,201	
Minor Works and Navigation:					
Receipts	2,267,383	151,159	—	151,159	
Charges	*10,509,570*	*700,638*	*1,335*	*701,973*	
Net Charges FOR MINOR WORKS	*8,242,187*	*549,479*	*1,335*	*550,814*	
TOTAL NET RECEIPTS (*or Charges*)	2,065,838	137,722	*1,335*	136,387	136,387
TOTAL NET RECEIPTS (*or Charges*) FOR COMMERCIAL UNDERTAKINGS (shown on pages 8 and 10)	99,308,960	6,620,597	*6,175,495*	445,102	**445,102**

* In the Annuities are comprised the following payments in redemption of capital, according to an actuarial calculation: –

	1899–1900.	1900–01.	1901–2.
	£.	£.	£
East Indian Railway	147,359	153,764	160,446
Eastern Bengal Railway	14,904	15,483	16,085
Scinde, Punjab, and Delhi Railway	59,443	61,739	64,122
Great Indian Peninsula Railway	—	171,038	349,423
TOTAL £.	221,706	402,024	590,076

APPENDIX IV—*continued.*

1900–01.					1901–02.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
20,357,340	1,357,156	—	1,357,156		20,755,636	1,383,709	—	1,383,709	
16,873,414	*1,124,894*	*97,320*	*1,222,214*		*17,783,206*	*1,185,547*	*95,077*	*1,280,624*	
3,483,926	232,262	*97,320*	134,942	134,942	2,972,430	198,162	*95,077*	103,085	103,085
13,278,032	885,202	10,614	895,816		13,494,365	899,624	8,485	908,109	
8,340,867	*556,058*	*226,629*	*782,687*		*9,129,836*	*608,656*	*295,531*	*904,187*	
4,937,165	329,144	*216,015*	113,129	113,129	4,364,529	290,968	*287,046*	*3,922*	3,922
254,303,499	16,953,567	230	16,953,797		289,109,940	19,273,996	3,230	19,277,226	
126,985,686	*8,465,712*	—	*8,465,712*		*142,385,017*	*9,492,334,*	—	*9,492,334*	
127,317,813	8,487,855	230	8,488,085		146,724,923	9,781,662	3,230	9,784,892	
19,753,492	1,316,899	—	1,316,899		13,724,833	914,989	—	914,989	
320,134	21,342	1,591	22,933		485,876	32,392	1,361	33,753	
147,391,439	9,826,096	1,821	9,827,917		160,935,632	10,729,043	4,591	10,733,634	
46,682,461	*3,112,165*	*4,556,471*	*7,668,636*		*48,352,191*	*3,223,480*	*5,406,829*	*8,630,309*	
2,688,133	*179,209*	*1,589,417*	*1,768,626*		*2,320,090*	*154,673*	*1,009,544*	*1,164,217*	
261,213	*17,414*	—	*17,414*		*201,611*	*13,441*	—	*13,441*	
721,761	*48,117*	—	*48,117*		*1,185,770*	*79,051*	—	*79,051*	
50,353,568	*3,356,905*	*6,145,888*	*9,502,793*		*52,059,662*	*3,470,645*	*6,416,373*	*9,887,018*	
97,037,871	6,469,191	*6,144,067*	325,124	325,124	108,875,970	7,258,398	*6,411,782*	846,616	846,616
24,771,151	1,651,410	—	1,651,410		23,393,665	1,559,578	—	1,559,578	
10,336,344	*689,090*	—	*689,090*		*10,528,805*	*701,920*	—	*701,920*	
14,434,807	962,320	—	962,320		12,864,860	857,658	—	857,658	
11,236,246	749,083	—	749,083		12,200,957	813,397	—	813,397	
25,671,053	1,711,403	—	1,711,403		25,065,817	1,671,055	—	1,671,055	
13,819,929	*921,328*	—	*921,328*		*14,161,844*	*944,123*	—	*944,123*	
11,851,124	790,075	—	790,075		10,903,973	726,932	—	726,932	
2,331,393	155,426	—	155,426		2,468,966	164,598	—	164,598	
10,639,011	*709,267*	*642*	*709,909*		*10,758,235*	*717,216*	*1,442*	*718,658*	
8,307,618	*553,841*	*642*	*554,483*		*8,289,269*	*552,618*	*1,442*	*554,060*	
3,543,506	236,234	*642*	235,592	235,592	2,614,704	174,314	*1,442*	172,872	172,872
109,002,468	7,266,831	*6,458,044*	808,787	**808,787**	118,827,633	7,921,842	*6,795,347*	1,126,495	**1,126,495**

APPENDIX IV.—*continued.*

REVENUE DERIVED FROM COMMERCIAL UNDERTAKINGS.	1902–03.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
1. POST OFFICE:		£.	£.	£.	£.
Receipts	21,449,028	1,429,935	—	1,429,935	
Deduct,—Charges	*18,702,940*	*1,246,863*	*99,915*	*1,346,778*	
Net Receipts	2,746,088	183,072	*99,915*	83,157	83 15
2. TELEGRAPH:					
Receipts	13,062,086	870,806	6,173	876,979	
Deduct,—Charges	*9,701,776*	*646,785*	*262,957*	*909,742*	
Net Receipts	3,360,310	224,021	*256,784*	*32,763*	*32,763*
3. RAILWAYS:					
Receipts:					
State Railways:					
Gross Receipts	287,061,392	19,137,426	230	19,137,656	
Working Expenses	*147,408,163*	*9,827,211*	—	*9,827,211*	
Net Traffic Receipts	139,653,229	9,310,215	230	9,310,445	
Guaranteed Railways: Net Traffic Receipts	14,192,735	946,182	—	946,182	
Subsidised Companies: Repayment of Advances of Interest	482,880	32,192	17,870	50,062	
TOTAL	154,328,844	10,288,589	18,100	10,306,689	
Charges:					
State Railways:					
*Interest and Annuities**	*50,204,959*	*3,346,997*	*5,511,331*	*8,858,328*	
Guaranteed Railways: Interest, Surplus Profits, Land, &c.	*1,363,263*	*90,884*	*1,026,892*	*1,117,776*	
Subsidised Companies: Land, &c.	*633,194*	*42,213*	—	*42,213*	
Miscellaneous: Surveys and Central Establishments	*883,847*	*58,923*	—	*58,923*	
TOTAL	*53,085,263*	*3,539,017*	*6,538,723*	*10,077,740*	
TOTAL NET RECEIPTS (*or Charges*)	101,243,581	6,749,572	*6,520,623*	228,949	228,949
4. IRRIGATION:					
Major Works (or Works for which Capital and Revenue Accounts are kept):					
Direct Receipts	27,244,019	1,816,268	—	1,816,268	
Working Expenses	*11,319,158*	*754,610*	—	*754,610*	
	15,924,861	1,061,658	—	1,061,658	
Portion of Land Revenue due to Irrigation	12,215,889	814,393	—	814,393	
	28,140,750	1,876,051	—	1,876,051	
Interest on Debt	*14,536,567*	*969,105*	—	*969,105*	
NET RECEIPTS FROM MAJOR WORKS	13,604,183	906,946	—	906,946	
Minor Works and Navigation:					
Receipts	2,074,935	138,329	—	138,329	
Charges	*12,744,178*	*849,612*	*1,917*	*851,529*	
Net Charges FOR MINOR WORKS	*10,669,243*	*711,283*	*1,917*	*713,200*	
TOTAL NET RECEIPTS (*or Charges*)	2,934,940	195,663	*1,917*	193,746	193,746
TOTAL NET RECEIPTS (OR *Charges*) FOR COMMERCIAL UNDERTAKINGS (shown on page 10)	110,284,919	7,352,328	*6,879,239*	473,089	**473,089**

* In the Annuities are comprised the following payments in redemption of capital, according to an actuarial calculation:—

	1902–03.	1903–04.
	£.	£.
East Indian Railway	167,420	174,696
Eastern Bengal Railway	16,710	17,360
Scinde, Punjab, and Delhi Railway	66,599	69,171
Great Indian Peninsula Railway	359,452	369,770
TOTAL £.	610,181	630,997

APPENDIX IV.—*continued.*

1903-04.

INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
22,607,287	1,507,153	—	1,507,153	
19,477,958	*1,298,530*	*104,694*	*1,403,224*	
3,129,329	208,623	*104,694*	103,929	103,929
12,766,375	851,092	6,543	857,635	
10,098,716	*673,248*	*243,576*	*916,824*	
2,667,659	177,844	*237,033*	*59,189*	*59,189*
308,645,419	20,576,361	230	20,576,591	
155,672,365	*10,378,158*	—	*10,378,158*	
152,973,054	10,198,203	230	10,198,433	
14,121,946	941,463	—	941,463	
488,845	32,590	7,222	39,812	
167,583,845	11,172,256	7,452	11,179,708	
52,901,290	*3,526,753*	*5,557,330*	*9,084,083*	
1,759,660	*117,311*	*1,032,772*	*1,150,083*	
457,490	*30,499*	—	*30,499*	
815,616	*54,374*	—	*54,374*	
55,934,056	*3,728,937*	*6,590,102*	*10,319,039*	
111,649,789	7,443,319	*6,582,650*	860,669	860,669
28,800,449	1,920,030	—	1,920,030	
12,161,268	*810,751*	—	*810,751*	
16,639,181	1,109,279	—	1,109,279	
12,557,090	837,139	—	837,139	
29,196,271	1,946,418	—	1,946,418	
14,913,519	*994,235*	—	*994,235*	
14,282,752	952,183	—	952,183	
2,318 910	154,594	—	154,594	
13,093,067	*872,871*	*2,150*	*875,021*	
10,774,157	*718,277*	*2,150*	*720,427*	
3,508,595	233,906	*2,150*	231,756	231,756
120,955,372	8,063,692	*6,926,527*	1,137,165	**1,137,165**

APPENDIX V.

MINT.	1893–94.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Receipts	2,273,550	151,570	—	151,570	
Charges	*835,880*	*55,725*	*4,541*	*60,266*	
NET RECEIPTS *or Charges* (shown on pages 4 and 6)	1,437,670	95,845	*4,541*	91,304	91,304

MINT.	1896–97.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Receipts	1,566,350	104,423	—	104,423	
Charges	*613,860*	*40,924*	*263*	*41,187*	
NET RECEIPTS *or Charges* (shown on pages 6 and 8)	952,490	63,499	*263*	63,236	63,236

MINT.	1899–1900.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Receipts	5,176,185	345,079	12	345,091	
Charges	*798,216*	*53,214*	*2,694*	*55,908*	
NET RECEIPTS *or Charges* (shown on pages 8 and 10)	4,377,969	291,865	*2,682*	289,183	289,183

MINT.	1902–03.				
	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Receipts	6,168,083	411,206	32	411,238	
Charges	*6,234,258*	*415,617*	*8,397*	*424,014*	
NET RECEIPTS *or Charges* (shown on page 10)	*66,175*	*4,411*	*8,365*	*12,776*	*12,776*

APPENDIX V.

1894–95.					1895–96.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
350,670	23,378	21	23,399		408,950	27,263	13	27,276	
506,400	*33,760*	*713*	*34,473*		*524,040*	*34,936*	*469*	*35,405*	
155,730	*10,382*	*692*	*11,074*	*11,074*	*115,090*	*7,673*	*456*	*8,129*	*8,129*

1897–98.					1898–99.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
1,820,440	121,363	7	121,370		779,115	51,941	13	51,954	
802,730	*53,516*	*5,300*	*58,816*		*1,080,760*	*72,051*	*3,616*	*75,667*	
1,017,710	67,847	*5,293*	62,554	**62,554**	*301,645*	*20,110*	*3,603*	*23,713*	*23,713*

1900–01.					1901–02.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.	INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
47,592,732	3,172,849	26	3,172,875		8,329,925	555,328	41	555,369	
47,095,788	*3,139,719*	*13,040*	*3,152,759*		*7,371,901*	*491,460*	*12,569*	*504,029*	
496,944	33,130	*13,014*	20,116	**20,116**	958,024	63,868	*12,528*	51,340	**51,340**

1903–04.				
INDIA.		ENGLAND.	TOTAL.	NET REVENUE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
43,270,754	2,884,717	49	2,884,766	
41,662,331	*2,777,489*	*8,096*	2,785,585	
1,608,423	107,228	*8,047*	99,181	**99,181**

APPENDIX VI.

EXCHANGE.	1893-94.		1894-95.	
	Rupees.	Equivalent at Rs. 15=£1.	Rupees.	Equivalent at Rs. 15=1*l.*
		£.		£.
AMOUNT REQUIRED TO DEFRAY NET STERLING EXPENDITURE, AT				
(1.) Average drawing rate of the year - -	257,929,380		284,030,500	
(2.) Rs. 15 for £1 - - - - - - -	234,500,420		232,559,730	
Difference, being Exchange on Net Sterling Expenditure:				
Receipt, *or Charge* - - - - - - -	*23,428,960*	*1,561,930*	*51,470,770*	*3,431,384*
Exchange on Remittance Account: Receipt - -	1,069,200	71,280	2,276,750	151,783
TOTAL, shown on pages 4, 6 and 8 - -	*22,359,760*	*1,490,650*	*49,194,020*	*3,279,601*
Exchange Compensation Allowance to Officers -	*6,184,680*	*412,312*	*12,392,750*	*826,183*
GRAND TOTAL: Receipt, *or Charge* - - -	—	*1,902,962*	—	*4,105,784*

EXCHANGE.	1899-1900.		1900-01.	
	Rupees.	Equivalent at Rs. 15=£1.	Rupees.	Equivalent at Rs. 15=1*l.*
		£.		£.
AMOUNT REQUIRED TO DEFRAY NET STERLING EXPENDITURE, AT				
(1.) Average drawing rate of the year - -	240,920,722		255,169,103	
(2.) Rs. 15 for £1 - - - - - - -	241,939,545		254,743,215	
Difference, being Exchange on Net Sterling Expenditure: Receipt, *or Charge* - - - - - -	1,018,823	67,922	*425,888*	*28,392*
Exchange on Remittance Account:				
Receipt, *or Charge* - - - - - - -	*2,233,063*	*148,871*	*51,848*	*3,457*
TOTAL, shown on pages 8 and 10 - -	*1,214,240*	*80,949*	*477,736*	*31,849*
Exchange Compensation Allowance to Officers -	*4,771,424*	*318,095*	*4,552,956*	*303,530*
GRAND TOTAL: *Charge* - - -	—	*399,044*		*335,379*

APPENDIX VI.

1895–96.		1896–97.		1897–98.		1898–99.	
Rupees.	Equivalent at Rs. 15=1*l.*	Rupees.	Equivalent at Rs. 15=1*l.*	Rupees.	Equivalent at Rs. 15=1*l.*	Rupees.	Equivalent at Rs. 15=£1.
	£.		£.		£.		£.
270,651,760		256,909,850		250,171,070		241,234,330	
230,699,300		232,030,930		240,069,010		240,909,540	
39,952,460	*2,663,497*	*24,878,920*	*1,658,594*	*10,102,060*	*673,470*	*324,790*	*21,653*
1,783,060	118,871	1,442,330	96,155	439,700	29,313	754,210	50,281
38,169,400	*2,544,626*	*23,436,590*	*1,562,439*	*9,662,360*	*644,157*	429,420	**28,628**
13,276,320	*885,088*	*9,351,760*	*623,451*	*6,858,650*	*457,243*	*4,797,900*	*319,860*
—	*3,429,714*	—	*2,185,890*		*1,101,400*	—	*291,232*

1901–02.		1902–03.		1903–04.	
Rupees.	Equivalent at Rs. 15=1*l.*	Rupees.	Equivalent at Rs. 15=1*l.*	Rupees.	Equivalent at Rs. 15=£1.
	£.		£.		£.
253,357,421		264,974,738		260,197,625	
253,161,705		265,005,240		260,995,950	
195,716	*13,048*	30,502	2,033	793,325	53,222
578,131	38,542	443,066	29,538	78,108	5,207
382,415	**25,494**	473,568	**31,571**	876,433	**58,429**
4,560,564	*304,038*	*4,760,196*	*317,346*	*5,080,535*	*338,702*
—	*278,544*		*285,775*		*280,273*

APPENDIX VII.

DEBT SERVICES.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. INTEREST on DEBT	42,738,140	2,849,209	3,719,691	6,568,900	
Amounts chargeable to Railways (see pp. 28 & 29)	*33,465,740*	*2,231,049*	*1,214,411*	*3,445,460*	
Amounts chargeable to Irrigation („ „ „)	*11,655,580*	*777,039*	—	*777,039*	
	45,121,320	*3,008,088*	*1,214,411*	*4,222,499*	
REMAINDER CHARGEABLE on ORDINARY DEBT	**2,383,180*	**158,879*	2,505,280	2,346,401	
2. INTEREST on other Obligations	5,509,580	367,306	215	367,521	
	3,126,400	208,427	2,505,495	2,713,922	
Deduct,—Receipts †	*8,589,210*	*572,614*	*10,041*	*582,655*	
TOTAL NET EXPENDITURE (excluding amounts charged to Railways and Irrigation)—shown on pages 5 and 7	*5,462,810*	*364,187*	2,495,454	2,131,267	**2,131,267**

DEBT SERVICES.	1896-97.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. INTEREST on DEBT	37,534,600	2,502,307	3,825,177	6,327,484	
Amounts chargeable to Railways (see pp. 30 & 31)	*38,734,010*	*2,582,267*	*1,194,473*	*3,776,740*	
Amounts chargeable to Irrigation („ „ „)	*12,534,796*	*835,653*	—	*835,653*	
	51,268,800	*3,417,920*	*1,194,473*	*4,612,393*	
REMAINDER CHARGEABLE on ORDINARY DEBT	**13,734,200*	** 915,613*	2,630,704	1,715,091	
2. INTEREST on other Obligations	4,579,850	305,323	136	305,459	
	9,154,350	*610,290*	2,630,840	2,020,550	
Deduct,—Receipts †	*9,127,660*	*608,511*	*102,231*	*710,742*	
TOTAL NET EXPENDITURE (excluding amounts charged to Railways and Irrigation)—shown on pages 7 and 9	*18,282,010*	*1,218,801*	2,528,609	1,309,808	**1,309,808**

* Excess of amount charged in India under Railway Revenue Account and Irrigation over total interest paid in India

† The Receipts in India are derived from loans to port trusts and municipal bodies, advances to landholders, &c., and from the securities held by the Paper Currency Department; those in England are mainly from the temporary loan on securities of surplus cash balances.

APPENDIX VII.

1894–95.					1895–96.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
45,738,710	3,049,247	3,814,017	6,863,264		37,314,330	2,487,622	3,821,599	6,309,221	
35,171,970	*2,344,798*	*1,202,096*	*3,546,894*		*36,862,870*	*2,457,525*	*1,198,904*	*3,656,429*	
11,941,150	*796,077*	—	*796,077*		*12,224,090*	*814,939*	—	*814,939*	
47,113,120	*3,140,875*	*1,202,096*	*4,342,971*		*49,086,960*	*3,272,464*	*1,198,904*	*4,471,368*	
**1,374,410*	** 91,628*	2,611,921	2,520,293		**11,772,630*	** 784,842*	2,622,695	1,837,853	
4,762,730	317,515	102	317,617		6,064,640	404,309	147	404,456	
3,388,320	225,887	2,612,023	2,837,910		*5,707,990*	*380,533*	2,622,842	2,242,309	
8,081,210	*538,747*	*3,789*	*542,536*		*8,012,670*	*534,178*	*13,516*	*547,694*	
4,692,890	*312,860*	2,608,234	2,295,374	**2,295,374**	*13,720,660*	*914,711*	2,609,326	1,694,615	**1,694,615**

1897–98.					1898–99.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
38,197,240	2,546,483	4,069,144	6,615,627		39,061,132	2,604,076	3,991,656	6,595,732	
40,790,090	*2,719,339*	*1,189,929*	*3,909,268*		*42,927,622*	*2,861,842*	*1,185,790*	*4,047,632*	
12,842,490	*856,166*	—	*856,166*		*13,126,938*	*875,129*	—	*875,129*	
53,632,580	*3,575,505*	*1,189,929*	*4,765,434*		*56,054,560*	*3,736,971*	*1,185,790*	*4,922,761*	
**15,435,340*	**1,029,022*	2,879,215	1,850,193		**16,993,428*	**1,132,895*	2,805,866	1,672,971	
5,151,560	343,437	51	343,488		5,167,294	344,486	91	344,577	
10,283,780	*685,585*	2,879,266	2,193,681		*11,826,134*	*788,409*	2,805,957	2,017,548	
8,406,810	*560,454*	*20,190*	*580,644*		*10,146,264*	*676,418*	*29,867*	*706,285*	
18,690,590	*1,246,039*	2,859,076	1,613,037	**1,613,037**	*21,972,398*	*1,464,827*	2,776,090	1,311,263	**1,311,263**

* Excess of amount charged in India under Railway Revenue Account and Irrigation over total interest paid in India.

APPENDIX VII.—*continued.*

DEBT SERVICES.	1899-1900.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. INTEREST on DEBT	39,027,597	2,601,839	4,072,798	6,674,637	
Amounts chargeable to Railways (*see* pages 32 and 33)	*45,090,125*	*3,006,008*	*1,178,527*	*4,184,535*	
Amounts chargeable to Irrigation „ „ „	*13,451,236*	*896,749*	—	*896,749*	
	58,541,361	*3,902,757*	*1,178,527*	*5,081,284*	
REMAINDER CHARGEABLE on ORDINARY DEBT	**19,513,764*	**1,300,918*	2,894,271	1,593,353	
2. INTEREST on other Obligations	5,319,899	354,660	85	354,745	
	14,193,865	*946,258*	2,894,356	1,948,098	
Deduct,—Receipts†	*8,347,226*	*556,481*	*49,334*	*605,815*	
TOTAL NET EXPENDITURE (excluding amounts charged to Railways and Irrigation)—shown on pages 9 and 11	*22,541,091*	*1,502,739*	2,845,022	1,342,283	**1,342,283**

DEBT SERVICES.	1902-03.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. INTEREST on DEBT	40,918,933	2,727,929	4,365,547	7,093,476	
Amounts chargeable to Railways (see pages 34 and 35)	*49,900,997*	*3,326,733*	*1,362,388*	*4,689,121*	
Amounts chargeable to Irrigation „ „ „	*14,536,567*	*969,105*	—	*969,105*	
	64,437,564	*4,295,838*	*1,362,388*	*5,658,226*	
REMAINDER CHARGEABLE on ORDINARY DEBT	**23,518,631*	**1,567,909*	3,003,159	1,435,250	
2. INTEREST on other Obligations	5,958,162	397,211	224	397,435	
	17,560,469	*1,170,698*	3,003,383	1,832,685	
Deduct,—Receipts†	*10,655,278*	*710,352*	*157,315*	*867,667*	
TOTAL NET EXPENDITURE (excluding amounts charged to Railways and Irrigation)—shown on page 11	*23,215,747*	*1,881,050*	2,846,068	965,018	**965,018**

* Excess of amount charged in India under Railway Revenue Account and Irrigation over total interest paid in India.

† The Receipts in India are derived from loans to port trusts and municipal bodies, advances to landholders, &c., and from the securities held by the Paper Currency Department; those in England are mainly from the temporary loan of surplus cash balances on securities.

APPENDIX VII.—*continued.*

1900-01.					1901-02.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
40,550,556	2,703,370	4,371,063	7,074,433		40,388,541	2,692,570	4,370,358	7,062,928	
46,559,768	*3,103,985*	*1,272,714*	*4,376,699*		*47,823,864*	*3,188,258*	*1,366,632*	*4,554,890*	
13,819,929	*921,328*	—	*921,328*		*14,161,844*	*944,123*	—	*944,123*	
60,379,697	*4,025,313*	*1,272,714*	*5,298,027*		*61,985,708*	*4,132,381*	*1,366,632*	*5,499,013*	
**19,829,141*	**1,321,943*	3,098,349	1,776,406		**21,597,167*	**1,439,811*	3,003,726	1,563,915	
5,434,713	362,314	226	362,540		5,705,506	380,367	56	380,423	
14,394,428	*959,629*	3,098,575	2,138,946		*15,891,661*	*1,059,444*	3,003,782	1,944,338	
8,926,309	*595,087*	*56,392*	*651,479*		*10,627,928*	*708,529*	*77,151*	*785,680*	
23,320,737	*1,554,716*	3,042,183	1,487,467	**1,487,467**	*26,519,589*	*1,767,973*	2,926,631	1,158,658	**1,158,658**

1903-04.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
41,776,092	2,785,073	4,342,826	7,127,899	
52,472,714	*3,498,181*	*1,359,281*	*4,857,462*	
14,913,519	*994,235*	—	*994,235*	
67,386,233	*4,492,416*	*1,359,281*	*5,851,697*	
**25,610,141*	**1,707,343*	2,983,545	1,276,202	
6,321,332	421,422	3	421,425	
19,288,809	*1,285,921*	2,983,548	1,697,627	
11,314,112	*754,274*	*141,788*	*896,062*	
30,602,921	*2,040,195*	2,841,760	801,565	**801,565**

* Excess of amount charged in India under Railway Revenue Account and Irrigation over total interest paid in India.

APPENDIX VIII.

MILITARY SERVICES.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15=1*l.*	Sterling.		
1. ARMY:		£.	£.	£.	£.
Effective Charges	150,261,700	10,017,447	2,167,670	12,185,117	
Non-Effective Charges	9,386,660	625,777	2,250,122	2,875,899	
Military Operations	—	—	—	—	
TOTAL	159,648,360	10,643,224	4,417,792	15,061,016	
Deduct,—Receipts: Effective	*6,944,820*	*462,988*	*39,636*	*502,624*	
Non-Effective	*737,610*	*49,174*	*10,055*	*59,229*	
Total	*7,682,430*	*512,162*	*49,691*	*561,853*	
TOTAL NET ARMY CHARGES	151,965,930	10,131,062	4,368,101	14,499,163	14,499,163
2. MILITARY WORKS	11,542,680	769,512	15,965	785,477	
Deduct,—Receipts	*458,940*	*30,596*	—	*30,596*	
TOTAL NET CHARGES for MILITARY WORKS	11,083,740	738,916	15,965	754,881	754,881
3. SPECIAL DEFENCE WORKS	1,629,470	108,631	98,206	206,837	206,837
TOTAL NET CHARGES for MILITARY SERVICES (shown on pages 5 and 7)	164,679,140	10,978,609	4,482,272	15,460,881	**15,460,881**
	1896-97.				
1. ARMY:		£.	£.	£.	£.
Effective Charges	163,550,800	10,903,387	1,842,283	12,745,670	
Non-Effective Charges	9,062,630	604,175	2,368,852	2,973,027	
Military Operations	—	—	—	—	
TOTAL	172,613,430	11,507,562	4,211,135	15,718,697	
Deduct,—Receipts: Effective	*7,306,510*	*487,101*	*64,864*	*551,965*	
Non-Effective	*934,720*	*62,314*	*12,933*	*75,247*	
Total	*8,241,230*	*549,415*	*77,797*	*627,212*	
TOTAL NET ARMY CHARGES	164,372,200	10,958,147	4,133,338	15,091,485	15,091,485
2. MILITARY WORKS	11,159,420	743,961	24,725	768,686	
Deduct,—Receipts	*612,680*	*40,845*	—	*40,845*	
TOTAL NET CHARGES for MILITARY WORKS	10,546,740	703,116	24,725	727,841	727,841
3. SPECIAL DEFENCE WORKS	217,530	14,502	43,868	58,370	58,370
TOTAL NET CHARGES for MILITARY SERVICES (shown on pages 7 and 9)	175,136,470	11,675,765	4,201,931	15,877,696	**15,877,696**

APPENDIX VIII.

1894-95.					1895-96.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15=1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15=1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
153,425,500	10,228,367	1,982,628	12,210,995		172,229,770	11,481,985	1,819,267	13,301,252	
9,034,100	602,273	2,302,415	2,904,688		8,971,350	598,090	2,316,527	2,914,617	
—	—	—	—		—	—	—	—	
162,459,600	10,830,640	4,285,043	15,115,683		181,201,120	12,080,075	4,135,794	16,215,869	
7,991,100	*532,740*	*58,556*	*591,296*		*7,519,790*	*501,320*	*65,450*	*566,770*	
856,470	*57,098*	*9,916*	*67,014*		*935,090*	*62,339*	*9,857*	*72,196*	
8,847,570	*589,838*	*68,472*	*658,310*		*8,454,880*	*563,659*	*75,307*	*638,966*	
153,612,030	10,240,802	4,216,571	14,457,373	14,457,373	172,746,240	11,516,416	4,060,487	15,576,903	15,576,903
9,622,030	641,469	24,972	666,441		11,514,780	767,652	30,947	798,599	
596,540	*39,769*	—	*39,769*		*496,990*	*33,132*	—	*33,132*	
9,025,490	601,700	24,972	626,672	626,672	11,017,790	734,520	30,947	765,467	765,467
673,220	44,881	82,176	127,057	127,057	217,160	14,477	45,252	59,729	59,729
163,310,740	10,887,383	4,323,719	15,211,102	**15,211,102**	183,981,190	12,265,413	4,136,686	16,402,099	**16,402,099**

1897-98.					1898-99.				
	£.	£.	£.	£.		£.	£.	£.	£.
155,921,620	10,394,775	1,804,263	12,199,038		154,983,237	10,332,216	1,902,482	12,234,698	
9,223,850	614,923	2,414,845	3,029,768		9,332,845	622,190	2,421,679	3,043,869	
38,479,920	2,565,328	25,119	2,590,447		10,575,245	705,016	17,743	722,759	
203,625,390	13,575,026	4,244,227	17,819,253		174,891,327	11,659,422	4,341,904	16,001,326	
6,472,070	*431,471*	*31,959*	*463,430*		*7,084,884*	*472,326*	*41,919*	*514,245*	
885,020	*59,001*	*14,443*	*73,444*		*887,003*	*59,193*	*15,214*	*74,407*	
736,230	*49,082*	—	*49,082*		*414,484*	*27,632*	—	*27,632*	
8,093,320	*539,554*	*46,402*	*585,956*		*8,387,271*	*559,151*	*57,133*	*616,284*	
195,532,070	13,035,472	4,197,825	17,233,297	17,233,297	166,504,056	11,100,271	4,284,771	15,385,042	15,385,042
10,595,400	706,360	69,633	775,993		11,326,765	755,118	52,531	807,649	
525,619	*35,041*	—	*35,041*		*542,345*	*36,156*	—	*36,156*	
10,069,790	671,319	69,633	740,952	740,952	10,784,420	718,962	52,531	771,493	771,493
40,200	*2,680*	17,739	15,059	15,059	453	30	944	974	974
205,561,660	13,704,111	4,285,197	17,989,308	**17,989,308**	177,288,929	11,819,263	4,338,246	16,157,509	**16,157,509**

APPENDIX VIII.—*continued.*

MILITARY SERVICES.	1899-1900.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15=1*l*.	Sterling.		
1. ARMY:		£.	£.	£.	£.
Effective Charges	153,248,703	10,216,580	1,638,737	11,855,317	
Non-Effective Charges	9,115,539	607,703	2,422,206	3,029,909	
Military Operations	—	—	—	—	
TOTAL	162,364,242	10,824,283	4,060,943	14,885,226	
Deduct,—Receipts: Effective					
Non-Effective	*8,656,127*	*577,075*	*66,015*	*643,090*	
Military Operations	*882,459*	*58,831*	*17,562*	*76,393*	
Total	*9,538,586*	*635,906*	*83,577*	*719,483*	
TOTAL NET ARMY CHARGES	152,825,656	10,188,377	3,977,366	14,165,743	14,165,743
2. MILITARY WORKS	12,071,699	804,780	31,782	836,562	
Deduct,—Receipts	*521,705*	*34,780*	—	*34,780*	
TOTAL NET CHARGES for MILITARY WORKS	11,549,994	770,000	31,782	801,782	801,782
3. SPECIAL DEFENCE WORKS	—	—	874	874	874
TOTAL NET CHARGES for MILITARY SERVICES (shown on pages 9 and 11)	164,375,650	10,958,377	4,010,022	14,968,399	**14,968,399**
	1902-03.				
1. ARMY:		£	£	£	£
Effective Charges	170,999,003	11,399,934	2,926,858	14,326,792	
Non-Effective Charges	9,837,015	655,801	2,363,799	3,019,600	
Military Operations	—	—	—	—	
TOTAL	180,836,018	12,055,735	5,290,657	17,346,392	
Deduct,—Receipts: Effective	*9,817,847*	*654,523*	*333,733*	*988,256*	
Non-Effective	*1,162,034*	*77,469*	*59,265*	*136,734*	
Total	*10,979,881*	*731,992*	*392,998*	*1,124,990*	
TOTAL NET ARMY CHARGES	169,856,137	11,323,743	4,897,659	16,221,402	16,221,402
2. MILITARY WORKS	15,510,922	1,034,062	62,607	1,096,669	
Deduct,—Receipts	*574,515*	*38,301*	—	*38,301*	
TOTAL NET CHARGES for MILITARY WORKS	14,936,407	995,761	62,607	1,058,368	1,058,368
3. SPECIAL DEFENCE WORKS	—	—	—	—	—
TOTAL NET CHARGES for MILITARY SERVICES (shown on page 11)	184,792,544	12,319,504	4,960,266	17,279,770	**17,279,770**

APPENDIX VIII.—*continued.*

1900–01.					1901–02.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15=1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15=1*l.*	Sterling.		
	£	£	£	£		£.	£.	£.	
150,548,739	10,036,583	2,054,376	12,090,959		161,385,945	10,759,063	2,032,260	12,791,323	
9,103,829	606,922	2,384,918	2,991,840		9,327,144	621,809	2,350,799	2,972,608	
—	—	—	—		—	—	—	—	
159,652,568	10,643,505	4,439,294	15,082,799		170,713,089	11,380,872	4,383,059	15,763,931	
10,903,499	*726,900*	*16,152*	*743,052*		*9,447,636*	*629,842*	*255,487*	*885,329*	
861,430	*57,429*	*16,793*	*74,222*		*1,064,725*	*70,982*	*21,278*	*92,260*	
11,764,929	*784,329*	*32,945*	*817,274*		*10,512,361*	*700,824*	*276,765*	*977,589*	
147,887,639	9,859,176	4,406,349	14,265,525	14,265,525	160,200,728	10,680,048	4,106,294	14,786,342	14,786,342
11,128,272	741,885	41,057	782,942		13,952,561	930,171	34,612	964,783	
536,320	*35,755*	—	*35,755*		*714,652*	*47,643*	—	*47,643*	
10,591,592	706,130	41,057	747,187	747,187	13,237,909	882,528	34,612	917,140	917,140
—	—	6,864	6,864	6,864	—	—	—	—	—
158,479,591	10,565,306	4,454,270	15,019,576	**15,019,576**	173,438,637	11,562,576	4,140,906	15,703,482	**15,703,482**

1903–04.				
	£.	£.	£.	£.
182,714,858	12,180,990	2,618,780	14,799,770	
10,092,048	672,803	2,392,635	3,065,438	
—	—	—	—	
192,806,906	12,853,793	5,011,415	17,865,208	
8,181,045	*545,403*	*402,632*	*948,035*	
1,404,589	*93,639*	*47,754*	*141,393*	
9,585,634	*639,042*	*450,386*	*1,089,428*	
183,221,262	12,214,751	4,561,029	16,775,780	16,775,780
14,725,195	981,680	52,974	1,034,654	
676,244	*45,083*	—	*45,083*	
14,048,951	936,597	52,974	989,571	989,571
325,395	21,693	5,361	27,054	27,054
197,595,608	13,173,041	4,619,364	17,792,405	**17,792,405**

APPENDIX IX.

COLLECTION OF REVENUE.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Land Revenue	40,214,730	2,680,982	85	2,681,067	
Forest	9,043,070	602,871	1,273	604,144	
Salt	4,724,630	314,975	1,177	316,152	
Stamps	924,240	61,616	38,875	100,491	
Excise	1,932,930	128,862	50	128,912	
Provincial Rates	538,090	35,873	—	35,873	
Customs	1 435,130	95,675	135	95,810	
Assessed Taxes	310,600	20,707	—	20,707	
Registration	2,237,230	149,149	—	149,149	
TOTAL (shown on pages 5 and 7)	61,360,650	4,090,710	41,595	4,132,305	**4,132,305**

COLLECTION OF REVENUE.	1896-97.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Land Revenue	41,092,470	2,739,498	214	2,739,712	
Forest	9,803,280	653,552	8,205	661,757	
Salt	5,230,350	348,690	191	348,881	
Stamps	970,060	64,671	40,808	105,479	
Excise	2,124,800	141,653	226	141,879	
Provincial Rates	543,010	36,201	—	36,201	
Customs	2,033,860	135,591	—	135,591	
Assessed Taxes	303,230	20,215	—	20,215	
Registration	2,408,240	160,549	—	160,549	
TOTAL (Shown on pages 7 and 9)	64,509,300	4,300,620	49,644	4,350,264	**4,350,264**

APPENDIX IX.

1894–95.					1895–96.				
India.		England.	Total.	Net Expenditure.	India.		England.	Total.	Net Expenditure.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
40,474,980	2,698,332	346	2,698,678		40,970,540	2,731,369	36	2,731,405	
9,121,650	608,110	701	608,811		9,087,100	605,807	1,393	607,200	
4,978,160	331,878	327	332,205		5,210,070	347,338	21	347,359	
932,110	62,141	45,103	107,244		951,580	63,439	43,492	106,931	
1,928,090	128,540	—	128,540		2,078,440	138,563	64	138,627	
564,380	37,625	—	37,625		526,750	35,117	—	35,117	
1,744,850	116,323	34	116,357		2,027,930	135,195	88	135,283	
297,710	19,847	—	19,847		298,680	19,912	—	19,912	
2,296,310	153,087	—	153,087		2,330,840	155,389	—	155,389	
62,338,240	4,155,883	46,511	4,202,394	**4,202,394**	63,481,930	4,232,129	45,094	4,277,223	**4,277,223**

1897–98.					1898–99.				
India.		England.	Total.	Net Expenditure.	India.		England.	Total.	Net Expenditure.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
41,861,930	2,790,795	901	2,791,696		40,526,738	2,701,783	1,255	2,703,038	
9,951,680	663,445	4,172	667,617		9,795,849	653,057	7,421	660,478	
4,730,150	315,343	468	315,811		4,653,139	310,209	258	310,467	
979,980	65,332	35,844	101,176		947,389	63,159	35,296	98,455	
2,402,710	160,181	123	160,304		2,430,140	162,009	—	162,009	
525,300	35,020	—	35,020		557,372	37,158	—	37,158	
2,113,790	140,919	—	140,919		2,148,445	143,230	65	143,295	
322,780	21,519	—	21,519		328,121	21,875	—	21,875	
2,478,900	165,260	—	165,260		2,485,107	165,674	—	165,674	
65,367,220	4,357,814	41,508	4,399,322	**4,399,322**	63,872,300	4,258,154	44,295	4,302,449	**4,302,449**

APPENDIX IX.—*continued.*

COLLECTION OF REVENUE.	1899-1900.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Land Revenue	41,221,405	2,748,094	645	2,748,739	
Forest	10,790,296	719,353	10,822	730,175	
Salt	4,966 747	331,116	640	331,756	
Stamps	950,619	63,375	37,914	101,289	
Excise	2,422,627	161,509	—	161,509	
Provincial Rates	531,917	35,461	—	35,461	
Customs	2,306,176	153,745	208	153,953	
Assessed Taxes	332,364	22,158	—	22,158	
Registration	2,456,979	163,799	—	163,799	
TOTAL (shown on pages 9 and 11)	65,979,130	4,398,610	50,229	4,448,839	4,448,839

COLLECTION OF REVENUE.	1902-03.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
Land Revenue	43,639,985	2,909,332	148	2,909,480	
Forest	11,249,331	749,955	1,828	751,783	
Salt	5,186,238	345,749	142	345,891	
Stamps	1,161,149	77,410	31,898	109,308	
Excise	2,837,618	189,175	9	189,184	
Provincial Rates	628,226	41,882	—	41,882	
Customs	2,417,843	161,190	145	161,335	
Assessed Taxes	362,255	24,150	—	24,150	
Registration	2,577,670	171,845	—	171,845	
TOTAL (shown on page 11)	70,060,315	4,670,688	34,170	4,704,858	4,704,858

APPENDIX IX.—*continued.*

1900-01.					1901-02.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
£.	£.	£.	£.	£.		£.	£.	£.	
42,231,350	2,815,423	176	2,815,599		42,915,972	2,861,065	670	2,861,735	
10,924,937	728,329	1,835	730,164		10,520,701	701,380	4,201	705,581	
5,047,501	336,500	433	336,933		5,141,683	342,779	851	343,630	
1,112,809	74,187	28,752	102,939		1,143,750	76,250	29,567	105,817	
2,416,769	161,118	58	161,176		2,491,879	166,125	30	166,155	
509,616	33,975	—	33,975		636,825	42,455	—	42,455	
2,427,076	161,805	125	161,930		2,419,723	161,315	160	161,475	
335,967	22,398	—	22,398		357,348	23,823	—	23,823	
2,543,952	169,597	—	169,597		2,576,045	171,736	—	171,736	
67,549,977	4,503,332	31,379	4,534,711	4,534,711	68,203,926	4,546,928	35,479	4,582,407	4,582,407

1903-04.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
45,727,135	3,048,476	408	3,048,884	
12,166,993	811,133	2,485	813,618	
4,935,853	329,057	2,134	331,191	
1,202,373	80,158	42,221	122,379	
3,208,429	213,895	33	213,928	
588,173	39,212	—	39,212	
2,520,550	168,037	128	168,165	
348,126	23,208	—	23,208	
2,667,009	177,800	—	177,800	
73,364,641	4,890,976	47,409	4,938,385	4,938,385

APPENDIX X.

CIVIL DEPARTMENTS.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. GENERAL ADMINISTRATION:					
Charges	15,191,320	1,012,755	265,812	1,278,567	1,278,567
2. LAW COURTS:					
Charges	29,960 900	1,997,393	197	1,997,590	
Receipts	*3,724,050*	*248,270*	—	*248,270*	
	26,236,850	1,749,123	197	1,749,320	1,749,320
3. JAILS:					
Charges	9,240,530	616,035	27	616,062	
Receipts	*3,061,910*	*204,127*	—	*204,127*	
	6,178,620	411,908	27	411,935	411,935
4. POLICE:					
Charges	39,186,930	2,612,462	662	2,613,124	
Receipts	*4,175,310*	*278,354*	—	*278,354*	
	35,011,620	2,334,108	662	2,334,770	2,334,770
5. MARINE (including River Navigation):					
Charges	3,493,080	232,872	245,443	478,315	
Receipts	*1,524,240*	*101,616*	—	*101,616*	
	1,968,840	131,256	245,443	376,699	376,699
6. EDUCATION:					
Charges	14,690,270	979,351	1,657	981,008	
Receipts	*2,161,780*	*144,118*	—	*144,118*	
	12,528,490	835,233	1,657	836,890	836,890
7. ECCLESIASTICAL:					
Charges	1,763,760	117,584	137	117,721	117,721
8. MEDICAL:					
Charges	9,679,690	645,313	6,760	652,073	
Receipts	*719,440*	*47,963*	*1,934*	*49,897*	
	8,960,250	597,350	4,826	602,176	602,176
9. POLITICAL:					
Charges	9,296,000	619,733	21,958	641,691	641,691
10. SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Charges	4,263,580	284,239	39,960	324,199	
Receipts	*905,110*	*60,341*	*562*	*60,903*	
	3,358,470	223,898	39,398	263,296	263,296
TOTAL NET CHARGES for CIVIL DEPARTMENTS (shown on pages 5 and 7)	120,494,220	8,032,948	580,117	8,613,065	**8,613,065**

APPENDIX X.

1894–95.					1895–96.				
India.		England.	Total.	Net Expenditure.	India.		England.	Total.	Net Expenditure.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
15,862,160	1,057,477	273,303	1,330,780	1,330,780	15,940,890	1,062,726	243,955	1,306,681	1,306,681
30,678 750	2,045,250	226	2,045,476		30,876,040	2,058,403	491	2,058,894	
3,704,820	*246,988*	—	*246,988*		*3,778,740*	*251,916*	—	*251,916*	
26,973,930	1,798,262	226	1,798,488	1,798,488	27,097,300	1,806,487	491	1,806,978	1,806,978
9,051,400	603,427	1,248	604,675		9,567,620	637,842	1 329	639,171	
3,088,780	*205,919*	—	*205,919*		*3,122,980*	*208,199*	—	*208,199*	
5,962,620	397,508	1,248	398,756	398,756	6,444,640	429,643	1,329	430,972	430,972
39,874,460	2,658,298	850	2,659,148		40,391,750	2,692,783	933	2,693,716	
4,062,220	*270,815*	—	*270,815*		*4,178,920*	*278,594*	—	*278,594*	
35,812,240	2,387,483	850	2,388,333	2,388,333	36,212,830	2,414,189	933	2,415,122	2,415,122
3,333,370	222,224	185,212	407,436		3,267,520	217,835	236,599	454,434	
1,548,830	*103,255*	—	*103,255*		*1,693,740*	*112,916*	—	*112,916*	
1,784,540	118,969	185,212	304,181	304,181	1,573,780	104,919	236,599	341,518	341,518
15,083,720	1,005,581	1,556	1,007,137		15,342,720	1,022,848	1,260	1,024,108	
2,140,340	*142,689*	—	*142,689*		*2,197,230*	*146,482*	—	*146,482*	
12,943,380	862,892	1,556	864,448	864,448	13,145,490	876,366	1,260	877,626	877,626
1,854,290	123,619	50	123,669	123,669	1,921,350	128,090	156	128,246	128,246
10,034,380	668,959	6,437	675,396		10,200,770	680,051	6,159	686,210	
780,610	*52,041*	*1,878*	*53,919*		*807,780*	*53,852*	*1,862*	*55,714*	
9,253,770	616,918	4,559	621,477	621,477	9,392,990	626,199	4,297	630,496	630,496
8,580,790	572,053	21,564	593,617	593,617	9,782,540	652,169	47,693	699,862	699,862
4,221,580	281,439	43,248	324,687		4,496,420	299,761	26,327	326,088	
922,740	*61,516*	*374*	*61,890*		*1,024,530*	*68,302*	*485*	*68,787*	
3,298,840	219,923	42,874	262,797	262,797	3,471,890	231,459	25,842	257,301	257,301
122,326,560	8,155,104	531,442	8,686,546	**8,686,546**	124,983,700	8,332,247	562,555	8,894,802	**8,894,802**

APPENDIX X.—*continued.*

CIVIL DEPARTMENTS.	1896-97.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. GENERAL ADMINISTRATION:					
Charges	15,872,780	1,058,185	260,322	1,318,507	1,318,507
2. LAW COURTS:					
Charges	30,933,110	2,062,207	1,379	2,063,586	
Receipts	*3,561,840*	*237,456*	—	*237,456*	
	27,371,270	1,824,751	1,379	1,826,130	1,826,130
3. JAILS:					
Charges	10,822,460	721,497	778	722,275	
Receipts	*3,087,330*	*205,822*	—	*205,822*	
	7,735,130	515,675	778	516,453	516,453
4. POLICE:					
Charges	41,555,770	2,770,385	592	2,770,977	
Receipts	*4,369,160*	*291,277*	—	*291,277*	
	37,186,610	2,479,108	592	2,479,700	2,479,700
5. MARINE (including River Navigation):					
Charges	3,668,660	244,577	212,785	457,362	
Receipts	*1,604,770*	*106,984*	—	*106,984*	
	2,063,890	137,593	212,785	350,378	350,378
6. EDUCATION:					
Charges	15,734,000	1,048,933	1,656	1,050,589	
Receipt	*2,207,820*	*147,188*	—	*147,188*	
	13,526,180	901,745	1,656	903,401	903,401
7. ECCLESIASTICAL:					
Charges	1,891,440	126,096	145	126,241	126,241
8. MEDICAL:					
Charges	10,651,580	710,105	6,947	717,052	
Receipts	*908,640*	*60,576*	*1,717*	*62,293*	
	9,742,940	649,529	5,230	654,759	654,759
9. POLITICAL:					
Charges	9,632,320	642,155	24,186	666,341	666,341
10. SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Charges	4,739,380	315,959	30,124	346,083	
Receipts	*1,010,550*	*67,370*	*425*	*67,795*	
	3,728,830	248,589	29,699	278,288	278,288
TOTAL NET CHARGES for CIVIL DEPARTMENTS (shown on pages 7 and 9)	128,751,391	8,583,426	536,772	9,120,198	**9,120,198**

APPENDIX X.—*continued.*

1897–98.					1898–99.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
15,880,160	1,058,677	257,745	1,316,422	1,316,422	15,814,295	1,054,286	252,496	1,306,782	1,306,782
31,324,810	2,088,321	795	2,089,116		30,727,343	2,048,490	794	2,049,284	
3,569,130	*237,942*	—	*237,942*		*3,688,633*	*245,909*	—	*245,909*	
27,755,680	1,850,379	795	1,851,174	1,851,174	27,038,710	1,802,581	794	1,803,375	1,803,375
11,187,030	745,802	2,218	748,020		10,288,204	685,880	133	686,013	
3,062,800	*204,186*	—	*204,186*		*3,085,531*	*205,702*	—	*205,702*	
8,124,230	541,616	2,218	543,834	543,834	7,202,673	480,178	133	480,311	480,311
42,328,550	2,821,903	683	2,822,586		41,795,480	2,786,365	778	2,787,143	
4,483,300	*298,887*	—	*298,887*		*4,362,044*	*290,803*	—	*290,803*	
37,845,250	2,523,016	683	2,523,699	2,523,699	37,433,436	2,495,562	778	2,496,340	2,496,340
3,447,620	229,842	213,853	443,695		3,360,546	224,037	204,787	428,824	
2,007,240	*133,816*	—	*133,816*		*1,906,628*	*127,109*	—	*127,109*	
1,440,380	96,026	213,853	309,879	309,879	1,453,918	96,928	204,787	301,715	301,715
15,786,630	1,052,442	1,541	1,053,983		15,956,775	1,063,785	1,917	1,065,702	
2,175,180	*145,012*	—	*145,012*		*2,308,476*	*153,898*	—	*153,898*	
13,611,450	907,430	1,541	908,971	908,971	13,648,299	909,887	1,917	911,804	911,804
1,735,790	115,719	245	115,964	115,964	1,697,403	113,160	795	113,955	113,955
13,289,520	885,968	16,931	902,899		16,012,347	1,067,490	10,273	1,077,763	
876,740	*58,449*	*1,622*	*60,071*		*840,021*	*56,001*	*1,547*	*57,548*	
12,412,780	827,519	15,309	842,828	842,828	15,172,326	1,011,489	8,726	1,020,215	1,020,215
8,937,600	597,173	24,349	621,522	621,522	8,660,466	577,364	24,627	601,991	601,991
4,947,060	329,804	26,109	355,913		5,223,538	348,236	21,144	369,380	
1,030,630	*68,709*	*303*	*69,012*		*1,044,117*	*69,608*	*447*	*70,055*	
3,916,430	261,095	25,806	286,901	286,901	4,179,421	278,628	20,697	299,325	299,325
131,679,750	8,778,650	542,544	9,321,194	**9,321,194**	132,300,947	8,820,063	515,750	9,335,813	**9,335,813**

APPENDIX X.—*continued.*

CIVIL DEPARTMENTS.	1899-1900.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. GENERAL ADMINISTRATION:					
Charges	15,960,801	1,064,053	320,023	1,384,076	1,384,076
2. LAW COURTS:					
Charges	31,213,533	2,080,902	547	2,081,449	
Receipts	*3,540,262*	*236,017*	—	*236,017*	
	27,673,271	1,844,885	547	1,845,432	1,845,432
3. JAILS:					
Charges	10,260,188	684,013	222	684,235	
Receipts	*3,403,582*	*226,905*	—	*226,905*	
	6,856,606	457,108	222	457,330	457,330
4. POLICE:					
Charges	42,762,727	2,850,848	448	2,851,296	
Receipts	*4,262,843*	*284,190*	—	*284,190*	
	38,499,884	2,566,658	448	2,567,106	2,567,106
5. MARINE (including River Navigation):					
Charges	3,088,823	205,922	327,970	533,892	
Receipts	*2,046,815*	*136,454*	—	*136,454*	
	1,042,008	69,468	327,970	397,438	397,438
6. EDUCATION:					
Charges	16,264,003	1,084,267	1,852	1,086,119	
Receipts	*2,374,897*	*158,326*	—	*158,326*	
	13,889,106	925,941	1,852	927,793	927,793
7. ECCLESIASTICAL:					
Charges	1,707,796	113,853	211	114,064	114,064
8. MEDICAL:					
Charges	13,993,722	932,915	11,689	944,604	
Receipts	*915,715*	*61,048*	*1,521*	*62,569*	
	13,078,007	871,867	10,168	882,035	882,035
9. POLITICAL:					
Charges	10,468,139	697,876	23,960	721,836	721,836
10. SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Charges	5,283,680	352,245	28,772	381,017	
Receipts	*1,201,341*	*80,090*	*493*	*80,583*	
	4,082,339	272,155	28,279	300,434	300,434
TOTAL NET CHARGES for CIVIL DEPARTMENTS (shown on pages 9 and 11)	133,257,957	8,883,864	713,680	9,597,544	9,597,544

APPENDIX X.—*continued.*

1900–01.					1901–02.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
16,267,295	1,084,486	255,196	1,339,682	1,339,682	16,554,642	1,103,643	259,112	1,362,755	1,362,755
31,860,797	2,124,053	261	2,124,314		32,358,574	2,157,238	504	2,157,742	
3,429,467	*228,631*	—	*228,631*		*3,483,159*	*232,211*	—	*232,211*	
28,431,330	1,895,422	261	1,895,683	1,895,683	28,875,415	1,925,027	504	1,925,531	1,925,531
11,955,882	797,058	—	797,058		11,561,297	770,753	813	771,566	
3,676,810	*245,120*	—	*245,120*		*3,757,836*	*250,522*	—	*250,522*	
8,279,072	551,938	—	551,938	551,938	7,803,461	520,231	813	521,044	521,044
43,751,116	2,916,741	1,245	2,917,986		44,341,080	2,956,072	994	2,957,066	
4,483,431	*298,895*	—	*298,895*		*4,403,637*	*293,576*	—	*293,576*	
39,267,685	2,617,846	1,245	2,619,091	2,619,091	39,937,443	2,662,496	994	2,663,490	2,663,490
3,568,472	237,898	352,023	589,921		4,258,472	283,898	314,351	598,249	
2,316,938	*154,463*	—	*154,463*		*2,181,281*	*145,439*	—	*145,439*	
1,251,534	83,435	352,023	435,458	435,458	2,076,891	138,459	314,351	452,810	452,810
16,326,203	1,088,414	2,708	1,091,122		16,943,997	1,129,600	2,734	1,132,334	
2,437,052	*162,470*	—	*162,470*		*2,600,026*	*173,335*	—	*173,335*	
13,889,151	925,944	2,708	928,652	928,652	14,343,971	956,265	2,734	958,999	958,999
1,733,963	115,598	753	116,351	116,351	1,684,155	112,277	499	112,776	112,776
14,038,220	935,881	5,222	941,103		12,887,984	859,199	4,886	864,085	
935,096	*62,339*	*1,487*	*63,826*		*1,033,057*	*68,870*	*1,373*	*70,243*	
13,103,124	873,542	3,735	877,277	877,277	11,854,927	790,329	3,513	793,842	793,842
8,441,227	562,748	24,743	587,491	587,491	10,200,690	680,046	7,028	687,074	687,074
6,382,287	425,486	41,107	466,593		7,079,786	471,986	31,166	503,152	
1,338,673	*89,245*	*425*	*89,670*		*1,431,570*	*95,438*	*434*	*95,872*	
5,043,614	336,241	40,682	376,923	376,923	5,648,216	376,548	30,732	407,280	407,280
135,707,995	19,047,200	681,346	9,728,546	**9,728,546**	138,979,811	9,265,321	620,280	9,885,601	**9,885,601**

APPENDIX X.—*continued.*

CIVIL DEPARTMENTS.	1902-03.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. GENERAL ADMINISTRATION:					
Charges	18,962,104	1,264,140	251,474	1,515,614	1,515,614
2. LAW COURTS:					
Charges	33,226,413	2,215,095	210	2,215,305	
Receipts	*3,650,529*	*243,369*	—	*243,369*	
	29,575,884	1,971,726	210	1,971,936	1,971,936
3. JAILS:					
Charges	10,881 591	725,439	65	725,504	
Receipts	*3,544,533*	*236,302*	—	*236,302*	
	7,337,058	489,137	65	489,202	489,202
4. POLICE:					
Charges	45,271,032	3,018,069	1,675	3,019,744	
Receipts	*4,612,718*	*307,514*	—	*307,514*	
	40,658,314	2,710,555	1,675	2,712,230	2,712,230
5. MARINE (including River Navigation):					
Charges	4,020,772	268,051	247,914	515,965	
Receipts	*2,597,368*	*173,158*	—	*173,158*	
	1,423,404	94,893	247,914	342,807	342,807
6. EDUCATION:					
Charges	19,436,735	1,295,782	1,882	1,297,664	
Receipts	*2,733,674*	*182,245*	—	*182,245*	
	16,703,061	1,113,537	1,882	1,115,419	1,115,419
7. ECCLESIASTICAL:					
Charges	1,655,652	110,377	646	111,023	111,023
8. MEDICAL:					
Charges	14,281,869	952,125	8,414	960,539	
Receipts	*1,127,392*	*75,159*	*1,446*	*76,605*	
	13,154,477	876,966	6,968	883,934	883,934
9. POLITICAL:					
Charges	12,183,251	812,217	7,249	819,466	819,466
10. SCIENTIFIC AND OTHER MINOR DEPARTMENTS:					
Charges	7,124,439	474,962	33,457	508,419	
Receipts	*1,539,956*	*102,664*	*531*	*103,195*	
	5,584,483	372,298	32,926	405,224	405,224
TOTAL NET CHARGES for CIVIL DEPARTMENTS (shown on page 11)	147,237,688	9,815,846	551,009	10,366,855	**10,366,855**

APPENDIX X.—*continued.*

1903–04.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
18,206,139	1,213,743	279,602	1,493,345	1,493,345
34,138,317	2,275,887	778	2,276,665	
3,872,489	*258,166*	—	*258,166*	
30,265,828	2,017,721	778	2,018,499	2,018,49
10,695,458	713,031	83	713,114	
3,609,178	*240,612*	—	*240,612*	
7,086,280	472,419	83	472,502	472,502
46,295,126	3,086,342	967	3,087,309	
4,845,902	*323,060*	—	*323,060*	
41,449,224	2,763,282	967	2,764,249	2,764,249
6,682,412	445,494	281,182	726,676	
5,554,347	*370,290*	*21,000*	*391,290*	
1,128,065	75,204	260,182	335,386	335,386
20,457,210	1,363,814	3,708	1,367,522	
2,793,539	*186,236*	—	*186,236*	
17,663,671	1,177,578	3,708	1,181,286	1,181,286
1,692,069	112,805	936	113,741	113,741
14,136,131	942,409	5,887	948,296	
1,277,030	*85,135*	*1,351*	*86,486*	
12,859,101	857,274	4,536	861,810	861,810
10,462,173	697,478	5,092	702,570	702,570
7,732,054	515,470	34,524	549,994	
1,661,555	*110,770*	*725*	*111,495*	
6,070,499	404,700	33,799	438,499	438,499
146,883,049	9,792,204	589,683	10,381,887	**10,381,887**

APPENDIX XI.

MISCELLANEOUS CIVIL CHARGES.

	1893-94.				
	India.		England.	Total.	Net Expenditure.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
1. Territorial and Political Pensions:		£.	£.	£.	£.
Charges	4,722,280	314,819	21,950	336,769	336,769
2. Furlough and Absentee Allowances:					
Charges	15,480	1,032	197,521	198,553	198,553
3. Superannuation Allowances and Pensions:					
Charges	9,105,470	607,031	1,784,051	2,391,082	
Receipts	*2,161,520*	*144,101*	*97,904*	*242,005*	
	6,943,950	462,930	1,686,147	2,149,077	2,149,077
4. Stationery and Printing:					
Charges	5,981,960	398,797	51,510	450,307	
Receipts	*844,980*	*56,332*	—	*56,332*	
	5,136,980	342,465	51,510	393,975	393,975
5. Miscellaneous:					
Charges	2,291,940	152,796	27,055	179,851	
Receipts	*4,214,660*	*280,977*	*5,203*	*286,180*	
	1,922,720	*128,181*	21,852	*106,329*	*106,329*
Total Net Miscellaneous Civil Charges (shown on pages 5 and 7)	14,895,970	993,065	1,978,980	2,972,045	**2,972,045**

	1896-97.				
1. Territorial and Political Pensions:		£.	£.	£.	£.
Charges	4,214,660	280,977	9,592	290,569	290,569
2. Furlough and Absentee Allowances:					
Charges	7,460	497	225,783	226,280	226,280
3. Superannuation Allowances and Pensions:					
Charges	10,059,610	670,641	1,874,519	2,545,160	
Receipts	*2,022,050*	*134,803*	*93,786*	*228,589*	
	8,037,560	535,838	1,780,733	2,316,571	2,316,571
4. Stationery and Printing:					
Charges	6,100,880	406,725	41,807	448,532	
Receipts	*864,000*	*57,600*	—	*57,600*	
	5,236,880	349,125	41,807	390,932	390,932
5. Miscellaneous:					
Charges	2,088,050	139,203	21,691	160,894	
Receipts	*4,432,980*	*295,532*	*20,878*	*316,410*	
	2,344,930	*156,329*	813	*155,516*	*155,516*
Total Net Miscellaneous Civil Charges (shown on pages 7 and 9)	15,151,630	1,010,108	2,058,728	3,068,836	**3,068,836**

APPENDIX XI.

1894–95.					1895–96.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
4,584,230	305,615	6,907	312,522	312,522	4,372,500	291,500	9,565	301,065	301,065
12,710	847	220,651	221,498	221,498	7,930	529	223,537	224,066	224,066
9,448,650	629,910	1,788,908	2,418,818		9,691,460	646,098	1,817,694	2,463,792	
2,099,550	*139,970*	*94,108*	*234,078*		*2,043,130*	*136,209*	*96,901*	*233,110*	
7,349,100	489,940	1,694,800	2,184,740	2,184,740	7,648,330	509,889	1,720,793	2,230,682	2,230,682
6,062,720	404,182	48,536	452,718		6,052,180	403,478	45,443	448,921	
852,120	*56,808*	—	*56,808*		*842,870*	*56,191*	—	*56,191*	
5,210,600	347,374	48,536	395,910	395,910	5,209,310	347,287	45,443	392,730	392,730
1,985,890	132,393	39,975	172,368		1,993,850	132,923	18,549	151,472	
5,230,580	*348,705*	*4,757*	*353,462*		*4,503,090*	*300,206*	*4,646*	*304,852*	
3,244,690	*216,312*	35,218	*181,094*	*181,094*	*2,509,240*	*167,283*	13,903	*153,380*	*153,380*
13,911,950	927,464	2,006,112	2,933,576	**2,933,576**	14,728,830	981,922	2,013,241	2,995,163	**2,995,163**

1897–98.					1898–99.				
	£.	£.	£.	£.		£.	£.	£.	£.
4,278,710	285,247	9,332	294,579	294,579	4,136,446	275,763	11,577	287,340	287,340
7,630	509	187,640	188,149	188,149	15,949	1,063	259,009	260,072	260,072
10,485,950	699,064	1,901,744	2,600,808		10,659,923	710,662	1,942,917	2,653,579	
2,062,950	*137,530*	*87,639*	*225,169*		*1,738,055*	*115,870*	*92,698*	*208,568*	
8,423,000	561,534	1,814,105	2,375,639	2.375,639	8,921,868	594,792	1,850,219	2,445,011	2,445,011
6,389,830	425,989	54,449	480,438		6,419,119	427,941	49,458	477,399	
800,030	*53,336*	—	*53,336*		*871,250*	*58,083*	—	*58,083*	
5,589,800	372,653	54,449	427,102	427,102	5,547,869	369,858	49,458	419,316	419,316
1,928,780	128,585	26,921	155,506		2,140,490	142,699	23,274	165,973	
4,691,580	*312,772*	*2,929*	*315,701*		*5,423,438*	*361,563*	*22,394*	*383,957*	
2,762,800	*184,187*	23,992	*160,195*	*160,195*	*3,282,948*	*218,864*	880	*217,984*	*217,984*
15,536,340	1,035,756	2,089,518	3,125,274	**3,125,274**	15,339,184	1,022,612	2,171,143	3,193,755	**3,193,755**

APPENDIX XI.—*continued.*

MISCELLANEOUS CIVIL CHARGES.	1899–1900.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. TERRITORIAL AND POLITICAL PENSIONS:					
Charges	3,983,365	265,558	11,452	277,010	277,010
2. FURLOUGH AND ABSENTEE ALLOWANCES:					
Charges	9,660	644	282,881	283,525	283,525
3. SUPERANNUATION ALLOWANCES AND PENSIONS:					
Charges	11,086,006	739,067	1,965,402	2,704,469	
Receipts	*1,721,032*	*114,735*	*90,026*	*204,761*	
	9,364,974	624,332	1,875,376	2,499,708	2,499,708
4. STATIONERY AND PRINTING:					
Charges	6,792,810	452,854	59,700	512,554	
Receipts	*894,882*	*59,659*	—	*59,659*	
	5,897,928	393,195	59,700	452,895	452,895
5. MISCELLANEOUS:					
Charges	2,367,536	157,835	36,189	194,024	
Receipts	*4,373,719*	*291,581*	*1,825*	*293,406*	
	2,006,183	*133,746*	34,364	*99,382*	*99,382*
TOTAL NET MISCELLANEOUS CIVIL CHARGES (shown on pages 9 and 11)	17,249,744	1,149,983	2,263,773	3,413,756	**3,413,756**

	1902–03.				
1. TERRITORIAL AND POLITICAL PENSIONS:		£.	£.	£.	£.
Charges	3,870,229	258,015	12,590	270,605	270,605
2. FURLOUGH AND ABSENTEE ALLOWANCES:					
Charges	5,480	365	244,026	244,391	244,391
3. SUPERANNUATION ALLOWANCES AND PENSIONS:					
Charges	12,131,479	808,765	2,006,754	2,815,519	
Receipts	*1,780,891*	*118,726*	*82,577*	*201,303*	
	10,350,588	690,039	1,924,177	2,614,216	2,614,216
4. STATIONERY AND PRINTING:					
Charges	7,025,848	468,390	102,348	570,738	
Receipts	*895,378*	*59,692*	—	*59,692*	
	6,130,470	408,698	102,348	511,046	511,046
5. MISCELLANEOUS:					
Charges	8,509,175	567,279	25,458	592,737	
Receipts	*4,972,004*	*331,467*	*6,954*	*338,421*	
	3,537,171	235,812	18,504	254,316	254,316
TOTAL NET MISCELLANEOUS CIVIL CHARGES (shown on page 11)	23,893,938	1,592,929	2,301,645	3,894,574	**3,894,574**

APPENDIX XI.—*concluded.*

1900–01.					1901–02.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
3,877,633	258,509	20,805	279,314	279,314	3,804,743	253,649	10,722	264,371	264,371
23	1	250,864	250,865	250,865	11,492	766	251,807	252,573	252,573
11,405,469	760,365	1,950,936	2,711,301		11,683,183	778,879	1,976,705	2,755,584	
1,647,651	*109,843*	*84,270*	*194,113*		*1,691,786*	*112,786*	*81,750*	*194,536*	
9,757,818	650,522	1,866,666	2,517,188	2,517,188	9,991,397	666,093	1,894,955	2,561,048	2,561,048
6,629,107	441,941	67,350	509,291		6,703,453	446,897	97,139	544,036	
834,370	*55,625*	—	*55,625*		*943,693*	*62,913*	—	*62,913*	
5,794,737	386,316	67,350	453,666	453,666	5,759,760	383,984	97,139	481,123	481,123
2,693,294	179,553	25,197	204,750		4,539,511	302,634	20,184	322,818	
4,145,577	*276,372*	*3,382*	*279,754*		*4,996,324*	*333,088*	*11,969*	*345,057*	
1,452,283	*96,819*	21,815	*75,004*	*75,004*	*456,813*	*30,454*	8,215	*22,239*	*22,239*
17,977,928	1,198,529	2,227,500	3,426,029	**3,426,029**	19,110,579	1,274,038	2,262,838	3,536,876	**3,536,876**

1903–04.				
	£.	£.	£.	£.
3,699,387	246,626	10,843	257,469	257,469
4,271	285	238,303	238,588	238,588
12,666,561	844,437	2,011,722	2,856,159	
1,813,582	*120,905*	*78,254*	*199,159*	
10,852,979	723,532	1,933,468	2,657,000	2,657,000
6,896,961	459,798	89,866	549,664	
1,070,353	*71,357*	—	*71,357*	
5,826,608	388,441	89,866	478,307	478,307
6,480,127	432,008	15,757	447,765	
5,280,103	*352,007*	*13,025*	*365.032*	
1,200,024	80,001	2,732	82,733	82,733
21,583,269	1,438,885	2,275,212	3,714,097	**3,714,097**

APPENDIX XII.

CIVIL WORKS AND CONSTRUCTION OF RAILWAYS CHARGED TO LOCAL AND PROVINCIAL REVENUES.	India. Rupees.	India. Equivalent at Rs. 15 = 1*l.*	England. Sterling.	Total.	Net Expenditure.
1893-94.					
Civil Works:		£.	£.	£.	£.
Charges	44,843,780	2,989,585	88,411	3,077,996	
Receipts	*5,858,470*	*390,564*	*25,828*	*416,392*	
Net Charge	38,985,310	2,599,021	62,583	2,661,604	2,661,604
Construction of Railways:—Charge	739,030	49,269	—	49,269	49,269
Total Net Charge (shown on pages 5 and 7)	39,724,340	2,648,290	62,583	2,710,873	**2,710,873**
1896-97.					
Civil Works:		£.	£.	£.	£.
Charges	44,745,370	2,983,024	91,371	3,074,395	
Receipts	*5,913,920*	*394,261*	*26,224*	*420,485*	
Net Charge	38,831,450	2,588,763	65,147	2,653,910	2,653,910
Construction of Railways:—Charge	127,500	8,500	—	8,500	8,500
Total Net Charge (shown on pages 7 and 9)	38,958,950	2,597,263	65,147	2,662,410	**2,662,410**
1899-1900.					
Civil Works:		£.	£.	£.	£.
Charges	48,095,324	3,206,355	91,735	3,298,090	
Receipts	*5,655,627*	*377,042*	*29,058*	*406,100*	
Net Charge	42,439,697	2,829,313	62,677	2,891,990	2,891,990
Construction of Railways:—Charge	35,345	2,356	—	2,356	2,356
Total Net Charge (shown on pages 9 and 11)	42,475,042	2,831,669	62,677	2,894,346	**2,894,346**
1902-03.					
Civil Works:		£.	£.	£.	£.
Charges	60,573,260	4,038,217	107,562	4,145,779	
Receipts	*6,299,416*	*419,961*	*28,679*	*448,640*	
Net Charge	54,273,844	3,618,256	78,883	3,697,139	3,697,139
Construction of Railways:—Charge	819,892	54,659	—	54,659	54,659
Total Net Charge (shown on page 11)	55,093,736	3,672,915	78,883	3,751,798	**3,751,798**

APPENDIX XII.

1894–95.					1895–96.				
India.		England.	Total.	Net Expenditure.	India.		England.	Total.	Net Expenditure.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
41,943,160	2,796,210	82,170	2,878,380		44,525,740	2,968,382	86,375	3,054,757	
5,863,970	*390,931*	*25,342*	*416,273*		*6,206,250*	*413,750*	*24,724*	*438,474*	
36,079,190	2,405,279	56,828	2,462,107	2,462,107	38,319,490	2,554,632	61,651	2,616,283	2,616,283
196,090	13,073	—	13,073	13,073	76,610	5,107	—	5,107	5,107
36,275,280	2,418,352	56,828	2,475,180	**2,475,180**	38,396,100	2,559,739	61,651	2,621,390	**2,621,390**

1897–98.					1898–99.				
	£.	£.	£.	£.		£.	£.	£.	£.
41,241,480	2,749,432	80,866	2,830,298		45,084,594	3,005,639	99,043	3,104,682	
5,700,710	*380,047*	*28,911*	*408,958*		*6,049,617*	*403,308*	*30,519*	*433,827*	
35,540,770	2,369,385	51,955	2,421,340	2,421,340	39,034,977	2,602,331	68,524	2,670,855	2,670,855
37,920	2,528	—	2,528	2,528	14,526	968	—	968	968
35,578,690	2,371,913	51,955	2,423,868	**2,423,868**	39,049,503	2,603,299	68,524	2,671,823	**2,671,823**

1900–01.					1901–02.				
	£.	£.	£.	£.		£.	£.	£.	£.
47,914,724	3,194,315	92,286	3,286,601		53,440,126	3,562,675	105,176	3,667,851	
5,940,014	*396,001*	*26,714*	*422,715*		*6,049,091*	*403,273*	*28,649*	*431,922*	
41,974,710	2,798,314	65,572	2,863,886	2,863,886	47,391,035	3,159,402	76,527	3,235,929	3,235,929
12,329	*822*	—	*822*	*822*	*1,000,633*	*66,709*	—	*66,709*	*66,709*
41,962,381	2,797,492	65,572	2,863,064	**2,863,064**	46,390,402	3,092,693	76,527	3,169,220	**3,169,220**

1903–04.				
	£.	£.	£.	£.
67,653,429	4,510,228	92,026	4,602,254	
7,263,741	*484,249*	*26,171*	*510,420*	
60,389,688	4,025,979	65,855	4,091,834	4,091,834
398,248	26,550	—	26,550	26,550
60,787,936	4,052,529	65,855	4,118,384	**4,118,384**

APPENDIX XIII.

FAMINE RELIEF AND INSURANCE.	1893-94.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. FAMINE RELIEF	4,960	330	—	330	
2. CONSTRUCTION OF PROTECTIVE RAILWAYS	10,609,540	707,303	—	707,303	
3. CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS	560,440	37,363	186	37,549	
4. REDUCTION OR AVOIDANCE OF DEBT	—	—	—	—	
TOTAL UNDER FAMINE RELIEF AND INSURANCE (shown on pages 5 and 7)	11,174,940	744,996	186	745,182	**745,182**
5. NET CHARGES IN RAILWAY REVENUE ACCOUNT ON ACCOUNT OF PROTECTIVE RAILWAYS CONSTRUCTED THROUGH THE AGENCY OF COMPANIES:					
INDIAN MIDLAND RAILWAY	*1,083,885*	*72,259*	255,721	183,462	
BENGAL-NAGPUR RAILWAY	*2,928,615*	*195,241*	259,624	64,383	
TOTAL IN RAILWAY REVENUE ACCOUNT	*4,012,500*	*267,500*	515,345	247,845	
TOTAL PROVISION FOR FAMINE RELIEF AND INSURANCE	7,162,440	477,496	515,531	993,027	

FAMINE RELIEF AND INSURANCE.	1896-97.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. FAMINE RELIEF	20,656,410	1,377,094	8,360	1,385,454	
2. CONSTRUCTION OF PROTECTIVE RAILWAYS	—	—	—	—	
3. CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS	468,300	31,220	—	31,220	
4. REDUCTION OR AVOIDANCE OF DEBT	—	—	—	—	
TOTAL UNDER FAMINE RELIEF AND INSURANCE (shown on pages 7 and 9)	21,124,710	1,408,314	8,360	1,416,674	**1,416,674**
5. NET CHARGES IN RAILWAY REVENUE ACCOUNT ON ACCOUNT OF PROTECTIVE RAILWAYS CONSTRUCTED THROUGH THE AGENCY OF COMPANIES:					
INDIAN MIDLAND RAILWAY	*1,501,560*	*100,104*	252,751	152,647	
BENGAL-NAGPUR RAILWAY	*1,815,390*	*121,026*	260,950	139,924	
TOTAL IN RAILWAY REVENUE ACCOUNT	*3,316,950*	*221,130*	513,701	292,571	
TOTAL PROVISION FOR FAMINE RELIEF AND INSURANCE	17,807,760	1,187,184	522,061	1,709,245	

APPENDIX XIII.

1894–95.					1895–96.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
102,580	6,839	—	6,839		183,010	12,200	—	12,200	
5,568,670	371,245	—	371,245		5,298,670	353,245	—	353,245	
427,930	28,528	173	28,701		383,170	25,545	—	25,545	
—	—	—	—		—	—	—	—	
6,099,180	406,612	173	406,785	**406,785**	5,864,850	390,990	—	390,990	**390,990**
1,431,780	*95,452*	253,221	157,769		*1,039,890*	*69,326*	251,970	182,644	
2,383,140	*158,876*	260,950	102,074		*2,425,005*	*161,667*	254,700	93,033	
3,814,920	*254,328*	514,171	259,843		*3,464,895*	*230,993*	506,670	275,677	
2,284,260	152,284	514,344	666,628		2,399,955	159,997	506,670	666,667	

1897–98.					1898–99.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
53,228,880	3,548,592	1,740	3,550,332		400,531	26,702	1	26,703	
—	—	—	—		6,903,526	460,235	—	460,235	
375,170	25,011	—	25,011		116,695	7,780	—	7,780	
—	—	—	—		4,452,378	296,825	—	296,825	
53,604,050	3,573,603	1,740	3,575,343	**3,575,343**	11,873,130	791,542	1	791,543	**791,543**
2,252,325	*150,155*	251,743	101,588		*3,246,625*	*149,775*	246,080	96,305	
2,073,945	*138,263*	271,974	133,711		*2,640,720*	*176,048*	288,200	112,152	
4,326,270	*288,418*	523,717	235,299		*4,887,345*	*325,823*	534,280	208,457	
49,277,780	3,285,185	525,457	3,810,642		6,985,785	465,719	534,281	1,000,000	

APPENDIX XIII.—*continued.*

FAMINE RELIEF AND INSURANCE.	1899–1900.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. FAMINE RELIEF	31,068,021	2,071,201	3,717	2,074,918	
2. CONSTRUCTION OF PROTECTIVE RAILWAYS	—	—	—	—	
3. CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS	358,946	23,930	—	23,930	
4. REDUCTION OR AVOIDANCE OF DEBT	—	—	—	—	
TOTAL UNDER FAMINE RELIEF AND INSURANCE (shown on pages 9 and 11)	31,426,967	2,095,131	3,717	2,098,848	**2,098,848**
5. NET CHARGE IN RAILWAY REVENUE ACCOUNT ON ACCOUNT OF PROTECTIVE RAILWAYS CONSTRUCTED THROUGH THE AGENCY OF COMPANIES:					
INDIAN MIDLAND RAILWAY	*3,287,143*	*219,143*	248,742	29,599	
BENGAL-NAGPUR RAILWAY	—	—	—	—	
TOTAL IN RAILWAY REVENUE ACCOUNT	*3,287,143*	*219,143*	248,742	29,599	
TOTAL PROVISION FOR FAMINE RELIEF AND INSURANCE	28,139,824	1,875,988	252,459	2,128,447	

FAMINE RELIEF AND INSURANCE.	1902–03.				
	INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
	Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
		£.	£.	£.	£.
1. FAMINE RELIEF	4,822,634	321,509	—	321,509	
2. CONSTRUCTION OF PROTECTIVE RAILWAYS	24,375	1,625	—	1,625	
3. CONSTRUCTION OF PROTECTIVE IRRIGATION WORKS	1,377,256	91,817	2,925	94,742	
4 REDUCTION OR AVOIDANCE OF DEBT	8,470,500	564,700	—	564,700	
TOTAL UNDER FAMINE RELIEF AND INSURANCE (shown on page 11)	14,694,765	979,651	2,925	982,576	**982,576**
5. NET CHARGE IN RAILWAY REVENUE ACCOUNT ON ACCOUNT OF PROTECTIVE RAILWAYS CONSTRUCTED THROUGH THE AGENCY OF COMPANIES:					
INDIAN MIDLAND RAILWAY	—	—	—	—	
BENGAL-NAGPUR RAILWAY	*	*	*	17,424	
TOTAL IN RAILWAY REVENUE ACCOUNT				17,424	
TOTAL PROVISION FOR FAMINE RELIEF AND INSURANCE				1,000,000	

* Figures not shown separately in the Accounts.

APPENDIX XIII.—*continued.*

1900–01.					1901–02.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.	INDIA.		ENGLAND	TOTAL.	NET EXPENDITURE
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.			Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.		£.	£.	£.	£.
61,761,419	4,117,428	7,802	4,125,230		7,935,950	529,063	118	529,181	
—	—	—	—		—	—	—	—	
466,710	31,114	—	31,114		987,516	65,835	4,858	70,693	
—	—	—	—		4,269,574	284,638	—	284,638	
62,228,129	4,148,542	7,802	4,156,344	**4,156,344**	13,193,040	879,536	4,976	884,512	**884,512**
—	—	—	—		—	—	—	—	
4,635,322	*309,021*	318,544	9,523		*3,194,501*	*212,967*	328,455	115,488	
4,635,322	*309,021*	318,544	9,523		*3,194,501*	*212,967*	328,455	115,488	
57,592,807	3,839,521	326,346	4,165,867		9,998,539	666,569	333,431	1,000,000	

1903–04.				
INDIA.		ENGLAND.	TOTAL.	NET EXPENDITURE.
Rupees.	Equivalent at Rs. 15 = 1*l.*	Sterling.		
	£.	£.	£.	£.
305,264	20,351	—	20,351	
1,122,834	74,855	21,750	96,605	
2,158,845	143,923	523	144,446	
9,664,163	644,278	—	644,278	
13,251,106	883,407	22,273	905,680	**905,680**
3,614,584	*240,972*	261,888	20,916	
4,177,664	*278,510*	351,914	73,404	
7,792,248	*519,482*	613,802	94,320	
			1,000,000	

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EXPLANATORY MEMORANDUM

BY THE

SECRETARY OF STATE FOR INDIA.

Presented to both Houses of Parliament by Command of His Majesty.

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EAST INDIA: ACCOUNTS AND ESTIMATES, 1905-1906.

EXPLANATORY MEMORANDUM

BY THE

SECRETARY OF STATE FOR INDIA.

Presented to both Houses of Parliament by Command of His Majesty.

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EAST INDIA: ACCOUNTS AND ESTIMATES, 1905–1906.

Memorandum by the Secretary of State for India, relating to the Accounts of the Government of India for 1903–1904, and the Estimates for 1904–1905 and 1905–1906.

Form of Accounts and Estimates.

In the "Financial Statement" of the Government of India, which is annually presented to Parliament, the Accounts and Estimates are prepared so as to shew the transactions in India in rupees; the totals of these transactions are then shewn in pounds at the rate of £1 to 15 rupees; the sterling transactions in England are next stated; and the last two sets of figures are added together, so as to shew in pounds the combined transactions in India and in England. The comparatively small addition or deduction that has to be made on account of the facts that the remittances from India to England are not effected at exactly 16 pence to the rupee, and that the Government is under obligations to carry out certain transactions at specified rates, is shewn in a single line, under the head of Exchange.

Gross Revenue and Expenditure.

The Gross Revenue and Expenditure of the Government of India for the three years are as follows :—

Gross Revenue and Expenditure.	Accounts, 1903–1904.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£
Revenue	83,756,155	84,699,100	83,433,000
Expenditure	80,759,755	81,213,600	82,529,200
Surplus	2,996,400	3,485,500	903,800

Net Revenue and Expenditure.

Apart from other considerations, the Revenue and Expenditure of the country are continually increasing through the opening of additional railways and canals, and in certain years the figures of Gross Revenue and Expenditure are swollen by entries on both sides of the accounts relating to coinage operations. A clearer view of the financial condition than that afforded by the figures of Gross Revenue and Expenditure may therefore be obtained from a reference to the annual Return of Net Income and Expenditure (No. 178 of 1905), or to the tables on page 13 of the present Memorandum, in which the charges of certain revenue-earning departments are treated as deductions from Revenue, and the receipts of spending departments as an off-set against Expenditure.

1750 Wt 1829 6/05 D & S 6 21236

The following table gives the Net Revenue and Expenditure for the three years as calculated in the manner indicated :—

Net Revenue and Expenditure.	Accounts, 1903–1904.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£
Net Revenue	46,844,062	49,688,700	47,901,300
Net Expenditure	43,847,662	46,203,200	46,997,500
Surplus...	2,996,400	3,485,500	903,800

1903–1904.

The following are the net figures for the year 1903–1904, as shown in the Budget, Revised Estimate, and Accounts :—

Net Revenue and Expenditure.	Budget, March 1903.	Revised Estimate, as published in March 1904.	Accounts.
	£	£	£
Net Revenue	43,113,700	46,569,500	46,844,062
Net Expenditure	42,165,000	43,858,300	43,847,662
Surplus...	948,700	2,711,200	2,996,400

Comparison of Accounts with Budget Estimate.

As compared with the Budget Estimate, the Accounts show an increase of the net Revenue by £3,730,362, and of the net Expenditure by £1,682,662, or a net improvement of £2,047,700.

The increase of £3,730,362 in the net Revenue was due to improvements of £866,878 under Opium, £819,769 under Railways, £474,800 under Excise, £323,366 under Customs, £292,904 under Salt, £169,056 under Irrigation, £161,393 under Forests, £156,038 under Land Revenue, £136,681 under Mint, and minor improvements amounting to £329,477 under other heads.

The net increase of £1,682,662 in the net Expenditure is the result of increases and decreases under several heads, the most important variations occurring under Provincial Adjustments. The chief decreases occurred under Collection of Revenue £278,015, Debt Services £174,435, Education £147,114, Law and Justice £120,799, Military Works and Special Defence Works £113,075. On the other hand a considerable proportion of the increased receipts under certain heads of revenue, and of the saving under certain heads of expenditure, accrued to the Provincial Governments, to which also special grants were made during the year ; consequently, their balances, instead of being reduced, as had been anticipated, by £1,383,500 were increased by £1,195,259, and the adjustment is less favourable to the Government of India by £2,578,759.

Comparison of Accounts with Revised Estimate.

Compared with the Revised Estimate, the net Revenue was better by £274,400, or about one-half per cent., and the net Expenditure less by £10,600, or about one-fortieth of 1 per cent. Of the increase in net Revenue, £91,004 occurred under Salt, £57,500 under Excise.

1904–1905.

The following table gives a comparison of the Revised Estimate for 1904–1905 with the Budget Estimate published in March 1904 :—

Net Revenue and Expenditure.	Budget.	Revised Estimate.	Difference.
	£	£	£
Net Revenue	45,773,500	49,688,700	+3,915,200
Net Expenditure	44,845,800	46,203,200	+1,348,400
Surplus	918,700	3,485,500	2,566,800 Better

Comparison of Revised Estimate with Budget.

The improvement of £3,915,200 in the net Revenue is the result of the following increases and decreases under the several heads :—*Increases* : Railways £1,900,300, Opium £1,121,400, Customs £448,800, Excise £253,200, Salt £213,900, Telegraph £137,400, Forest £133,100, other heads £376,600. *Decreases* : Land Revenue (Madras and Bombay) £618,800, other heads £50,700.

The most important change contributing to the increase in the net Expenditure occurs under Provincial Adjustments. A portion of the benefit arising from the improvement in Revenue and the reduction of Expenditure shewn in the Revised Estimates goes to strengthen the position of the Provincial Governments, and special Grants of £667,000 were made during the year to Bombay and the Punjab on the occasion of the introduction of new settlements with the Government of India. The balances of Provincial Governments have thus been reduced in the aggregate by only £24,100 as against a reduction of £1,316,800 anticipated in the Budget; and the Adjustment is less favourable to the Government of India by £1,292,700. The Army charges have increased by £1,137,700, mainly in consequence of the Reorganisation Scheme and the additional cost of the Tibet Mission. There are decreases of £311,300 under Civil Works, £196,000 under Political, £184,600 under Military Works and Special Defence Works, £183,000 under Collection of Revenue, and £207,100 (net) under other heads.

1905–1906.

In preparing the Budget for 1905–1906 the Government of India have, with the sanction of the Secretary of State in Council, made provision for the following special measures :—

1. *Reduction of the Salt Tax.*—This tax has been levied at a uniform rate throughout practically the whole of India (except Burma and Aden) since 10th March, 1882. The rates in force from that date up to the time of the present remission have been as follows :—

10th March, 1882, to 18th January, 1888	2 rupees per maund of $82\frac{2}{7}$ lbs.
19th January, 1888, to 17th March, 1903	$2\frac{1}{2}$ „ „ „
18th March, 1903, to 21st March, 1905	2 „ „ „

With effect from 22nd March, 1905, the rate has been reduced from 2 to $1\frac{1}{2}$ rupees per maund.

The cost of this measure is estimated at £1,220,000, but it is anticipated that a portion of the loss will be made up by increase of consumption.

2. *Abolition of Famine Cesses.*—Since 1878 certain local rates, known as Famine Cesses, have been levied in the United Provinces, the Punjab, and the Central Provinces at approximately 2 per cent on the Land Revenue. These cesses have now been remitted at an estimated cost of £151,000 a year.

3. *Alteration of Postal Rates.*—Hitherto the rates for Inland Letters have been as follows :—

Weight not exceeding $\frac{1}{2}$ tola ($\frac{3}{8}$ ounce) ...	$\frac{1}{2}$ anna (one halfpenny).
„ „ $1\frac{1}{2}$ tolas ($1\frac{1}{8}$ ounce)	1 anna (one penny).
Every additional $1\frac{1}{2}$ tolas or fraction thereof	„ „

The weight to be carried for a halfpenny has now been raised to $\frac{3}{4}$ tola. The cost of this concession is estimated at £47,000 a year.

4. *Grants to Provincial Governments for Expenditure on Police.*—In accordance with the recommendations of a Commission appointed in India to report on the organisation of the Police, it has been decided to introduce certain changes in the pay, numbers, and grading of the force with a view to increasing its efficiency. In all Provinces in India with which Provincial settlements have been made, the Police charges are borne by the Provincial Governments ; and, in order to enable them to defray the cost of the proposed improvements, the Government of India have in the present Budget provided grants amounting to £333,000, which will be repeated in future years and increased in due course so as to enable further reforms to be carried out.

3. *Grants to Provincial Governments for Expenditure on Primary Education.*—Permanent grants of £233,000 a year have been made to the Provincial Governments for expenditure in increasing the number of primary schools, increasing the number and efficiency of the staff, and improving the buildings and appliances.

4. *Grants to Provincial Governments for Agricultural Development.*—Permanent grants of £133,000 a year have been made for expenditure on the establishment of experimental and demonstration farms and agricultural colleges.

5. *Grants to District and Local Boards.*—Permanent grants amounting to £377,000 a year (to be distributed by Local Governments) have been made to District and Local Boards. The expenditure of District Boards is mainly on roads, buildings, hospitals, dispensaries, schools, water supply, sanitation, and veterinary aid for cattle. It is intended that in the expenditure of the grants now made special attention shall be given to the improvement of means of communication.

6. *Army Expenditure.*—It has been decided that for the next few years provision shall be made annually for expenditure on measures for improving the efficiency of the Army in India, including artillery re-armament, the redistribution of the troops, an increase in the number of officers, and the supply of additional stores. The expenditure on these measures will be shewn under the special sub-head "Reorganisation" in the Accounts and Estimates. The first expenditure was incurred in 1904–1905, and provision has been made for £2,439,900 in the Estimates for 1905–1906. The Government of India are not yet in a position to give a final estimate of the cost of the measures which will be required.

The following table compares the Net Revenue and Expenditure as estimated in the Budget for 1905–1906 with the figures of the Revised Estimate for the preceding year :—

	Revised Estimate, 1904-1905.	Budget, 1905–1906.	Difference.
	£	£	£
Net Revenue	49,688,700	47,901,300	*—1,787,400*
Net Expenditure	46,203,200	46,997,500	+ 794,300
Surplus	3,485,500	903,800	2,581,700 Worse

The decrease of £1,787,400 in the Net Revenue is due to the following causes :—

	£	£
Decreases are anticipated in—		
Salt (owing to the reduction of the Salt Tax mentioned above)	1,087,900	
Railways (chiefly owing to the anticipation that the exceptionally large traffic on the North-Western State Railway in 1904–1905 will not be maintained in 1905–1906) ...	690,300	
Opium (prices in 1904–1905 having been abnormally high)	432,300	
Telegraph (owing to increased capital expenditure)	99,200	
Mint, Irrigation, Provincial Rates, Exchange, Post Office, Tributes, and Customs ...	266,600	
Total decreases	———	2,576,300
Increases are anticipated in—		
Land Revenue (chiefly in Madras, Bombay, and Burma)...	513,700	
Excise	142,400	

	£	£
Stamps, Forest, Assessed Taxes, and Registration	132,800	
Total increases	———	788,900
Net decrease of Revenue		1,787,400

The increase of £794,300 in Net Expenditure is expected to occur as follows :—

Increases are anticipated in—	£	£
Civil Works (owing to larger expenditure by Provincial Governments and by District and Local Boards, partly from the special grants mentioned above)	758,300	
Police (chiefly from special grants)	405,100	
Education „ „ „	352,700	
Collection of Revenue (chiefly in Land Revenue charges)	308,700	
Military Works and Special Defence Works (largely owing to Reorganisation Scheme)	266,800	
Scientific and Minor Departments (chiefly for expenditure from special grants for agricultural development)	214,300	
Other heads	312,700	
Total increases	———	2,618,600
Decreases are anticipated in—		
Provincial Adjustments (owing to payments by Provincial Governments from their balances towards the expenditure of the year)	1,346,200	
Debt Services (owing to transfer of Interest Charges from Ordinary Debt to Public Works Debt)	209,200	
Other heads	268,900	
Total decreases	———	1,824,300
Net increase of Expenditure		794,300

Debt.

In 1903–1904 a Loan of two crores of rupees (£1,333,300) bearing interest at 3½ per cent. was issued in India at an average price of 98·1 per cent. In England £1,500,000 India 3 per cent. Stock was issued at an average price of £98 19*s.* 0*d.* per cent., the proceeds being used for the discharge of £600,000 debentures of the Great Indian Peninsula Railway and towards the discharge of India sterling bills falling due in the year. Of the £3,500,000 sterling bills outstanding on 1st April, 1903, £1,500,000 were discharged without replacement. Bills in replacement of the remaining £2,000,000 were issued at average rates of £3 7*s.* 5*d.* (June, 1903), £3 11*s.* 6*d.* (September), £3 12*s.* 11*d.* (December), £3 5*s.* 2*d.* (March, 1904).

In 1904–1905 a loan of 3 crores of rupees (£2,000,000) was issued in India at an average price of 97·6 per cent., and a temporary loan of £333,300 was discharged. In England £2,500,000 3 per cent. Stock was issued in order to

provide for the discharge of £1,002,100 debentures of the Great Indian Peninsula Railway Company, and for advances by the Secretary of State in Council to Railway Companies. The average price obtained was £95 18*s.* 6*d.* per cent. Of the £2,000,000 sterling bills outstanding on 1st April, 1904, £1,500,000 were discharged without replacement. Bills in replacement of the remaining £500,000 were issued in June, 1904, at an average rate of £2 11*s.* per cent.

In the Budget of the current year (1905–1906) it was proposed to issue in India a loan of four crores of rupees (£2,666,700); and in England a loan of £2,000,000. The loan in England was issued on 6th April, 1905, tenders being invited for £2,000,000 3 per cent. India Stock at a minimum of 97. The average rate obtained was £97 18*s.* 1*d.* Of the proceeds of this loan £250,000 will be expended in the discharge of debentures of the Great Indian Peninsula Railway, £500,000 is for the purchase of the Bengal Central Railway on the 30th June, 1905, and the remainder will be used for advances to railway companies. The £500,000 sterling bills which were outstanding on 1st April, 1905, will be discharged without replacement.

Railways.

On the 31st of March, 1905, the length of Railways in India open for traffic was 27,749 miles, of which 623 were opened in 1904–1905. The mileage under construction or sanctioned for construction was 3,139 miles, of which 712 were sanctioned in 1904–1905.

The expenditure on the Construction of Railways shewn in the Accounts for 1903–1904 and Estimates for 1904–1905 and 1905–1906 is as follows:—

	Accounts, 1903–1904.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£
Expenditure not charged to Revenue :—			
State railways (from money provided by State).	4,535,100	5,157,200	4,751,300
State railways (from money raised through Companies).	—	963,600	2,110,700
Old guaranteed Companies	207,200	123,100	431,000
Other guaranteed or assisted Companies	1,692,200	1,293,400	1,139,000
Branch lines on firm guarantee	1,900	4,600	2,300
Expenditure charged to Revenue	123,200	136,900	48,700
Total outlay by Government or with Government assistance.	6,559,600	7,678,800	8,483,000
Branch lines not on firm guarantee ...	12,600	7,400	7,900
Railways outside Government accounts ...	418,700	696,100	645,300
Total	6,990,900	8,382,300	9,136,200

The net traffic receipts in 1903–1904 of open lines in which the Government is directly interested were 4·93 per cent. on the capital cost. Details relating to the several lines will be found on page 30 below.

The Railway Revenue Account shewed in 1903–1904 a net receipt of £860,669, and in 1904–1905 a net receipt of £2,254,500. In the Budget for 1905–1906 allowance is made for some reduction in the total traffic, which was unusually heavy in 1904–1905; and the net receipt is taken at the reduced amount of £1,564,200. These results are arrived at after charging in the Account not only all interest charges but also the following payments in redemption of capital which are included in the annuities issued for the purchase of railways, viz :—

	£
In 1903–1904	631,000
In 1904–1905	652,500
In 1905–1906	674,864

Irrigation Works.

The outlay on the construction of Major Irrigation Works incurred during the last two years and estimated to be incurred in the present year is as follows :—1903–1904, £599,300 ; 1904–1905 (Revised Estimate), £552,300 ; 1905–1906 (Budget), £1,181,900. The allotment for 1905–1906 includes grants for two new projects, the Upper Jhelum and the Upper Chenab Canals, each estimated to cost approximately £2,000,000. The provision for expenditure in 1905–1906 is £96,700 for the Upper Jhelum and £100,000 for the Upper Chenab Canal Of the gross expenditure on minor works (amounting to £875,000 in 1903–1904, £922,000 in 1904–1905 (Revised Estimate), and £991,000 in 1905–1906 (Budget), a considerable portion is devoted to the construction of new works ; this expenditure is charged against the revenue of the year in which it is incurred.

The following table shews the total capital expenditure on Major Irrigation Works, and the net receipts :—

—	Capital Expenditure to End of the Year, excluding indirect charges.	Net Receipts during the Year (being gross receipts, *less* working expenses and interest charges.)
	£	£
1903–1904	25,290,600	952,183
1904–1905 (Revised Estimate) ...	25,842,900	954,500
1905–1906 (Budget)	27,024,800	985,800

Liabilities and Assets.

On the 31st of March, 1905, the debt of India amounted to £214,416,726 (viz. :—rupee debt, converted into sterling at 1*s.* 4*d.* the rupee, £81,529,535, and sterling debt, £132,887,191). There were also other obligations of the Government of India, including Savings Bank balances, Judicial and Departmental deposits, balances of Service Funds, &c., amounting to £17,206,551.

Up to the same date the Government of India had devoted £87,927,772 to the construction of Railways, and £26,108,252 to the construction of Irrigation Works. It had purchased (in some cases by cash payments and in other cases by annuities*) six railways, on which, at the time of purchase, £85,219,000 had been spent. It had lent £12,041,289 (net) to Native States, Corporations, Agriculturists, &c., and had advanced £11,363,498 to Railway Companies. Other assets were the Gold Reserve Fund, on account of which £8,362,616 had been invested, the cash balances in India, £10,333,352, and the cash balances in England, £10,338,282.

Exchange and Remittance.

The sale by the Secretary of State in Council of bills and telegraphic transfers on India during the last three years has been as follows :—

		£			
1902–1903	...	18,499,946,	at an average rate of	1*s.* 4·0018*d.*	per rupee.
1903–1904	...	23,859,303	,, ,,	1*s.* 4·0491*d.*	,,
1904–1905	...	24,425,558	,, ,,	1*s.* 4·045*d.*	,,

Gold Reserve Fund.

In accordance with a recommendation made by the Indian Currency Committee, it was decided that, with effect from the 1st April, 1900, the net profit from the coinage of rupees should not be treated as revenue, but should be held as a special reserve, and sent to England for investment in sterling securities. This profit amounted to £3,031,294 in 1900–1901, £415,100 in

* The annuities now outstanding are East Indian Railway Annuity, £1,145,288 (of which £294,750 is deferred under the existing contract for working the line), running to 14th February, 1953 ; Eastern Bengal Railway Annuity, £116,851, running to 31st July, 1957 ; Scinde Punjab and Delhi Railway Annuity, £371,361, running to 31st December, 1958 ; and Great Indian Peninsula Railway Annuity, £1,268,516, to 17th August, 1948.

1901–1902, £264,028 in 1902–1903, £2,627,575 in 1903–1904, and £1,738,700 in 1904–1905. Practically the whole amount has been remitted to England and applied to the purchase of British Government securities. Including the dividends, which have been invested as they accrued, the amount invested on account of the Gold Reserve Fund up to 31st March, 1905, was £8,362,616, and the securities purchased were as follows :—£6,043,758 2½ per cent. Consolidated Stock, £528,034 National War Loan 2¾ per cent. Stock, £434,511 Local Loans 3 per cent. Stock, £727,736 Transvaal Government 3 per cent. Guaranteed Stock, and £1,200,000 Treasury Bills.

Home Charges.

The net Expenditure in England chargeable to Revenue was £17,399,730 in 1903–1904, £18,801,000 in the Revised Estimate for 1904-1905, and £19,262,800 in the Budget for 1905–1906. The last-named amount is thus divided :—

	£
Interest and Management of Debt, and payment of Interest and Annuities on account of Railways	9,675,600
Payments in connection with Civil Departments in India ...	293,800
India Office, including Auditor's and Store Departments ...	192,200
Army Effective Charges	777,600
Stores of all kinds charged against revenue	3,312,400
Furlough Allowances	671,500
Non-Effective Charges	4,339,700
Total	19,262,800

Besides this, the outlay on stores, &c., for the construction of State Railways and Irrigation Works was £1,305,583 in 1903–1904, and is estimated at £1,517,000 in 1904–1905, and £2,372,500 in 1905–1906.

Seaborne Trade.

The following figures show the Exports from, and Imports into, India during the last three years :—

——	1902-1903.	1903–1904.	1904-1905.
	£	£	£
Exports of Merchandise	86,264,400	102,344,773	105,139,291
Imports „	57,212,776	61,728,182	69,609,324
Net Exports of Merchandise	29,051,624	40,616,591	35,529,967
Net Imports of Gold	5,843,044	6,621,107	6,470,591
Net Imports of Silver	4,637,768	9,033,711	8,915,648
Net Imports of Treasure	10,480,812	15,654,818	15,386,239
Balance : Net Exports	18,570,812	24,961,773	20,143,728

The transactions in treasure on account of the Government were as follows :—1902–1903, net export of gold £469,798, net export of silver £13,201 ; 1903–1904, net export of gold £4,264,559 ; net import of silver £4,056,783 ; 1904–1905, net export of gold £5,604,999, net import of silver £4,290,595.

Burden of Taxation.

	Accounts 1903-1904.	Revised Estimate, 1904-1905.	Budget, 1905-1906.
	£	£	£
Salt	4,981,700	5,086,600	3,998,700
Stamps	3,538,200	3,701,800	3,765,400
Excise	4,932,500	5,254,300	5,396,700
Provincial Rates	2,822,000	2,821,200	2,774,700
Customs	3,839,100	4,268,500	4,266,400
Assessed Taxes	1,206,600	1,248,700	1,273,400
Registration	326,000	339,000	341,900
Total	21,646,100	22,720,100	21,817,200
According to the census taken in March, 1901, the population of British India was 231,085,000. On this basis, and allowing for the increase of population at the rate of two-fifths of one per cent. per annum, the payment per head, on the assumption that the whole of the taxation, including that on Salt, Excise, and Customs, is paid by the inhabitants of British India, is ...	*s.* *d.* 1 $10\frac{1}{4}$	*s.* *d.* 1 $11\frac{1}{4}$	*s.* *d.* 1 $10\frac{1}{4}$
If the payment of Land Revenue be added, the average becomes...	3 $5\frac{1}{4}$	3 6	3 $5\frac{1}{2}$

ST. JOHN BRODRICK.

India Office,
May 31, 1905.

APPENDIX I.

Tables of Net Revenue and Expenditure.

Net Revenue.

Net Revenue.	Accounts, 1903–1904.		Budget, 1904–1905.		Revised Estimate, 1904–1905.		Budget, 1905–1906.	
	£	£	£	£	£	£	£	£
I. Land Revenue, &c.:								
1. Land Revenue	18,508,738		18,837,200		18,218,400		18,732,100	
2. Forest	1,477,393		1,425,400		1,558,500		1,600,100	
3. Tributes from Native States.	410,827		409,000		421,300		412,600	
		20,396,958		20,671,600		20,198,200		20,744,800
II. Opium		3,506,178		2,947,700		4,069,100		3,636,800
III. Taxation:								
1. Salt	4,981,704		4,872,700		5,086,600		3,998,700	
2. Stamps	3,538,237		3,598,100		3,701,800		3,765,400	
3. Excise	4,932,500		5,001,100		5,254,300		5,396,700	
4. Provincial Rates... ...	2,821,967		2,828,900		2,821,200		2,774,700	
5. Customs	3,339,066		3,819,700		4,268,500		4,266,400	
6. Assessed Taxes	1,206,636		1,256,500		1,248,700		1,273,400	
7. Registration	326,041		333,100		339,000		341,900	
		21,646,151		21,710,100		22,720,100		21,817,200
IV. Commercial Undertakings:								
1. Post Office	103,929		*— 35,600*		77,600		64,800	
2. Telegraph	*— 59,189*		*—163,500*		*— 26,100*		*—125,300*	
3. Railway Revenue Account	860,669		354,200		2,254,500		1,564,200	
4. Irrigation	231,756		255,100		219,900		161,900	
		1 137 165		410 200		2,525,900		1,665,600
V. Mint		99,181		*— 36,000*		76,300		*— 17,800*
VI. Exchange		58,429		69,900		99,100		54,700
Total Net Revenue ...		46,844,062		45,773,500		49,688,700		47,901,300

Net Expenditure.

Net Expenditure.	Accounts, 1903–1904.		Budget, 1904–1905.		Revised Estimate, 1904–1905.		Budget, 1905–1906.	
	£	£	£	£	£	£	£	£
I. Debt Services (excluding interest payments chargeable to Railways and Irrigation).		801,565		807,300		768,700		559,500
II. Military Services:								
1. Army	16,775,780		18,215,000		19,352,700		19,354,700	
2. Military and Special Defence Works.	1,016,625		1,275,000		1,090,400		1,357,200	
		17,792,405		19,490,000		20,443,100		20,711,900
III. Collection of Revenue ...		4,938,385		5,384,000		5,201,000		5,509,700
IV. Civil Services:								
1. Civil Departments ...	10,381,887		11,325,500		10,793,500		11,871,500	
2. Miscellaneous Civil Charges	3,714,097		3,593,300		3,687,200		3,623,100	
3. Civil Works, including Construction of Railways charged to Local or Provincial Revenues.	4,118,384		4,645,100		4,333,800		5,092,100	
		18,214,368		19,563,900		18,814,500		20,586,700.
V. Famine Relief and Insurance		905,680		926,400		1,000,000		1,000,000
VI. Provincial Balances:								
1. Increased by portion of Allotments not spent in the year.		1,195,259		—		—		—
2. Reduced by Expenditure from Balances.		—		*-1,316,800*		*— 24,100*		*-1,370,300*
Total Net Expenditure charged against Revenue.		43,847,662		44,854,800		46,203,200		46,997,500
Surplus		2,996,400		918,700		3,485,500		903,800

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

APPENDIX II.

Notes on the main heads of Net Revenue and Expenditure.

NET REVENUE.

Land Revenue.

	£
Accounts, 1903–1904	18,508,738
Budget, 1904–1905	18,837,200
Revised Estimate, 1904–1905	18,218,400
Budget, 1905–1906	18,732,100

The collections in 1904–1905 have fallen short of the Budget Estimate, owing to partial failure of the rains in Madras and Bombay, and to failure of the kharif crop in Bundelkhand, in consequence of which it was found necessary to grant remissions and suspensions of land revenue amounting to more than £600,000.

The Budget Estimate for 1905–1906 anticipates increases of £445,000 in Madras and £234,000 in Bombay (due chiefly to the expectation of more favorable conditions), of £116,000 in Burma (owing to extension of cultivation), and of £60,000 in Bengal. On the other hand, it is anticipated that the damage done by frost to the rabi crop in the United Provinces early in 1905 will necessitate large remissions and suspensions, and a reduction of £243,000 in those provinces is allowed for. The prospects in the Punjab are also not so favorable, and it is assumed that the collections there will be reduced by £85,000. Minor increases and decreases are expected in the remaining provinces.

Forest.

	£
Accounts, 1903–1904...	1,477,393
Budget, 1904–1905	1,425,400
Revised Estimate, 1904–1905	1,558,500
Budget, 1905–1906	1,600,100

More than one-third of the total revenue under this head is obtained in Burma. The gross receipts in this province since 1901–1902 are as follows :—1901–1902, £391,600 ; 1902–1903, £449,270 ; 1903–1904, £551,300 ; 1904–1905 (Revised Estimate), £563,300 ; 1905–1906 (Budget), £606,700.

Tributes.

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
Receipts	609,086	626,000	635,700	620,400
Assignments and Compensations, and Refunds and Drawbacks.	199,259	217,000	214,400	207,800
Net Revenue	410,827	409,000	421,300	412,600

The "assignments and compensations" include the annual rent paid to the Nizam under the arrangement for the administration of Berar (*see* Parliamentary Paper Cd. 1321 of 1902).

Opium.

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
Receipts	5,736,045	4,955,100	6,044,000	5,477,700
Charges	2,229,867	2,007,400	1,974,900	1,840,900
Net Receipts	3,506,178	2,947,700	4,069,100	3,636,800

In 1903–1904 the prices realised at the Calcutta opium sales were exceptionally high, and the exports of Malwa opium were also large. On the other hand, the crop was a very heavy one, and, in consequence, the payments to cultivators were also unusually high.

In 1904–1905 the average price obtained for Bengal opium was even higher than in the previous year, while the payments to cultivators were not so heavy. There was a decided falling-off in the exports of Malwa opium, but as the rate of the pass duty was raised during the year the diminution in receipts from this source was not considerable.

In framing the Budget for the current year the Government of India have considered it unsafe to reckon on a continuance of the exceptional prices realised during the past two years, and some reduction is accordingly shown in the receipts. The payments are also less, as the prospects of the crop are unfavorable. Statistics are appended.

	Bengal.		Bombay.		Chests of Bengal Opium produced.	Payments to Cultivators, including purchase of Opium.
	Chests sold.	Average price.	Chests of Malwa Opium passed for Export.	Rate of Duty per Chest.		
		Rs.		Rs.		£
Accounts, 1903–1904 ...	48,000	1,462	26,141	500	64,738	2,051,365
Budget, 1904–1905 ...	48,000	1,250	22,920	500	—	1,827,500
Revised Estimate, 1904–1905.	48,000	1,587	19,370	500 and 600	50,000	1,810,500
Budget, 1905–1906 ...	48,000	1,400	20,000	600	—	1,655,400

Salt.

	£
Accounts, 1902–1903...	5,931,933
Budget, 1903–1904	4,688,800
Accounts, 1903–1904...	4,981,704
Budget, 1904–1905	4,872,700
Revised Estimate, 1904–1905	5,086,600
Budget, 1905–1906	3,998,700

In March, 1903, the Salt Duty was reduced in the greater part of India (excluding Burma) from $2\frac{1}{2}$ to 2 rupees a maund. In March, 1905, a further reduction to $1\frac{1}{2}$ rupees a maund was made (*see* page 6 above).

The consumption of salt in India (excluding Burma), was :—

In 1901–1902	34,393,799 maunds.
In 1902–1903	35,209,184 „
In 1903–1904	36,383,642 „

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

Stamps.

	£
Accounts, 1903–1904...	3,538,237
Budget, 1904–1905	3,598,100
Revised Estimate, 1904–1905	3,701,800
Budget, 1905–1906	3,765,400

About two-thirds of the revenue is derived from court fee stamps and about one-third from commercial and other stamps. The growth of revenue has been greatest in Bengal.

Excise.

	£
Accounts, 1903–1904...	4,932,500
Budget, 1904–1905	5,001,100
Revised Estimate, 1904–1905	5,254,300
Budget, 1905–1906	5,396,700

The Excise Revenue has been steadily expanding since 1897–1898, when the net receipts were only £3,609,389. In 1901–1902 the figures were £4,025,770 and in 1902–1903 £4,384,181. The marked improvement during the past three years is shared by all provinces, and is attributed to more prosperous conditions and better administration.

Provincial Rates.

	£
Accounts, 1903–1904...	2,821,967
Budget, 1904–1905	2,828,900
Revised Estimate, 1904–1905	2,821,200
Budget, 1905–1906	2,774,700

The decrease in the Budget for 1905–1906 is due to the abolition of Famine Cesses (*see* page 6). The cost of this measure is estimated at £151,000 a year, but it is anticipated that there will be some improvement under other heads.

Customs.

	£
Accounts, 1903–1904...	3,839,066
Budget, 1904–1905	3,819,700
Revised Estimate, 1904–1905	4,268,500
Budget, 1905–1906	4,266,400

The gross receipts during the past three years, and the budget figures for the current year, are as follows :—

——	Accounts, 1902–1903.	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£	£
Rice (export duty)	843,700	802,100	733,300	853,300	800,000
Cotton Manufactures	641,000	658,900	663,300	813,900	778,500
Liquors	506,200	543,700	562,700	553,300	561,300
Metals and Manufactures of Metals.	466,800	496,400	495,000	530,000	550,000
Other Manufactured Articles ...	402,500	472,100	486,700	550,000	576,700
Petroleum	358,400	293,300	280,000	313,300	316,700
Other Articles	759,000	699,800	696,200	747,200	780,800
Total	3,977,600	3,966,300	3,917,200	4,361,000	4,364,000

In 1904–1905 there was an extraordinary increase in the imports of cotton manufactures, due chiefly to the abundant American cotton crop, the depletion of stocks in India in the previous year, when the price of raw material was high, and the general prosperity of the country. The rice crop in Burma was exceptionally heavy, and the exports were the largest on record. The increase in the imports of manufactured articles in the same year was also remarkable.

The Budget Estimate for 1905–1906 allows for some reduction in the receipts from cotton and rice.

Assessed Taxes.

	£
Accounts, 1902–1903	1,402,672
Accounts, 1903–1904	1,206,636
Budget, 1904–1905	1,256,500
Revised Estimate, 1904–1905	1,248,700
Budget, 1905–1906	1,273,400

The receipts shewn under this head are almost entirely derived from Income Tax. On the 1st April, 1903, the limit of exemption from income tax was raised, in the case of private incomes, from Rs. 500 a year to Rs. 1,000. The cost of this measure was estimated at £240,000 a year.

Registration.

	£
Accounts, 1903–1904	326,041
Budget, 1904–1905	333,100
Revised Estimate, 1904–1905	339,000
Budget, 1905–1906	341,900

The receipts are principally derived from fees for registering documents.

Post Office.

——	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
Receipts	1,507,153	1,495,300	1,590,700	1,608,300
Charges	1,403,224	1,530,900	1,513,100	1,543,500
Net revenue	103,929	— *35,600*	77,600	64,800

The charges in 1904–1905 include £48,000 paid to the General Post Office on account of arrears in connection with the carriage of mails between England and India. In 1905–1906 allowance is made for the reduction of postal rates mentioned on page 6, which is estimated to cost £47,000 a year.

Telegraph.

——	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
Receipts	857,635	834,400	889,200	909,100
Charges	916,824	997,900	915,300	1,034,400
Net charge	*59,189*	*163,500*	*26,100*	*125,300*

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

The improvement in 1904–1905 in the receipts, which include those of the Indo-European Telegraph Department, is chiefly due to increased inland traffic, consequent on a reduction in the charges for telegrams which was effected in January 1904, and to India's share of an increased foreign traffic resulting from the Russo-Japanese war.

The charges include the following amounts for capital outlay :—1903–1904, £270,465 ; 1904–1905 (Revised Estimate), £266,000 ; 1905–1906 (Budget Estimate), £364,000.

Railways.

——	Accounts, 1903-1901.	Budget, 1904–1905.	Revised Estimate, 1904-1905.	Budget, 1905–1906.
State Railways :—	£	£	£	£
Gross Receipts	20,576,591	20,580,900	22,854,900	22,906,900
Charges :—				
Working Expenses ...	10,378,158	10,563,900	11,086,500	11,236,900
Interest on Capital spent or advanced by the State.	4,857,462	5,080,800	5,083,600	5,348,300
Interest on Capital deposited by Companies.	1,222,001	1,283,000	1,268,300	1,342,300
Annuities in purchase of railways.	3,004,620	3,008,500	3,009,300	3,013,200
Total	19,462,241	19,936,200	20,447,700	20,940,700
Net Receipts	1,114,350	644,700	2,407,200	1,966,200
Guaranteed Railways :— Net charge to the State...	208,620	202,100	91,400	313,300
Miscellaneous charges(net)	45,061	88,400	61,300	88,700
Net Receipts from all Railways.	860,669	354,200	2,254,500	1,564,200

Before 1899–1900 the Railway Revenue Account always shewed a net charge. From that year onwards it has shewn a net receipt. The figures from 1896–1897 are as follows :—

		£
1896–1897	Net charge	1,152,467
1897–1898	„	709,313
1898–1899	„	620,165
1899–1900	Net receipt	76,756
1900–1901	„	325,124
1901–1902	„	846,616
1902–1903	„	228,949
1903–1904	„	860,669
1904–1905 (Revised Estimate.)	„	2,254,500
1905–1906 (Budget Estimate.)	„	1,564,200

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

Gross Receipts of State Railways.—The profit derived by the State from the railways arises from the State lines, under which head are included not only the lines worked by the State (of which the most important are the North-Western, Eastern Bengal, and Oudh and Rohilkhand systems), but also lines which, while classified as State railways, are worked by companies, and have in most cases been constructed by companies. Among the most important of the lines included in the latter class are the East Indian, Great Indian Peninsula, Bengal-Nagpur, Indian Midland, Rajputana-Malwa, Assam-Bengal, Southern Mahratta, South Indian, and Burma Railways. For some years the gross receipts of the State lines have been growing rapidly. Excluding, for the purpose of comparison, the receipts of the Great Indian Peninsula Railway, which was not acquired by the State till 1900–1901, the receipts for 10 years are as follows :—1896–1897, £11,759,711 ; 1897–1898, £12,696,340 ; 1898–1899, £13,075,980 ; 1899–1900, £14,653,223 ; 1900–1901, £15,170,314 ; 1901–1902, £16,432,994 ; 1902–1903, £16,231,912 ; 1903–1904, £17,519,799 ; 1904–1905 (Revised Estimate), £19,574,900 ; 1905–1906 (Budget), £19,640,200.

Including the receipts of the Great Indian Peninsula Railway, the figures since the 1st April, 1901, are :—

1901–1902.	1902–1903.	1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
£	£	£	£	£	£
19,227,226	19,137,656	20,576,591	20,580,900	22,854,900	22,906,900

In 1903–1904 there was a considerable improvement in the earnings of nearly all the more important railway systems, due mainly to exceptionally heavy grain traffic, notably on the North-Western Railway. In 1904–1905 there was a further great improvement, the wheat traffic of the North-Western Railway having again proved unusually heavy, and the traffic on most of the other large systems having continued exceptionally favourable. The most important increases, as compared with the previous years, are :—North-Western Railway, £760,800 ; East Indian Railway (due to heavy pilgrim and coal traffic), £396,900 ; Great Indian Peninsula Railway (due to the favourable cotton crop), £223,200.

In the Budget Estimate for 1905–1906 the gross receipts of State railways are taken at £22,906,900, being £52,000 in excess of the receipts shewn in the Revised Estimate for 1904–1905. The figures are affected by the exclusion in 1905–1906 of the figures for the Bengal and North-Western Railway, which is about to make a new contract with the Secretary of State in Council, and by the inclusion for the last three months of the same year of the estimated gross receipts of the Bombay, Baroda and Central India Railway, which will be transferred on 1st January, 1906, from "Guaranteed Railways" to "State Railways." Omitting in both years the figures relating to these two lines, the estimate of the gross receipts in 1905–1906 is higher by £198,800 than the receipts for 1904–1905. This estimate allows for development of traffic on newly opened lines, but also for a falling off on certain lines (especially the North-Western State Railway), which in 1904–1905 yielded exceptionally favourable results.

Working Expenses of State Railways.—In the Budget for 1905–1906 provision is made for special renewals of permanent way and rolling stock, and for repairs to flood damages.

The annuities shewn among the charges of State railways were created for the purchase by the State of the East Indian, Eastern Bengal, Scinde-Punjab and Delhi, and Great Indian Peninsula railways. The annual payments include the following amounts in redemption of capital, viz. :—1903–1904, £631,000 ; 1904–1905, £652,500 ; 1905–1906, £674,864.

The transactions included under the heading "Guaranteed Railways" are, with slight exceptions, those of the Madras Railway Company and the Bombay, Baroda and Central India Railway Company. In the case of the Madras Railway Company the net traffic receipts paid to the Government fall short of the guaranteed interest and "surplus profits" paid by the Government

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

to the Company by the following amounts, viz.:—1903–1904, £166,010; 1904–1905 (Revised Estimate), £141,300; 1905–1906 (Budget), £155,100. In the case of the Bombay, Baroda and Central India Railway Company there was a similar deficiency of £42,386 in 1903–1904, and a deficiency of £116,100 is anticipated in 1905–1906: but in 1904–1905 the net traffic receipts exceeded by £47,700 the charges borne by the Government.

Irrigation.

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
MAJOR WORKS:	£	£	£	£
Receipts	2,757,169	2,799,500	2,843,800	2,888,200
Working Expenses	810,751	821,200	873,400	854,100
Interest on Debt	994,235	1,023,500	1,015,900	1,048,300
Net Receipts	952,183	954,800	954,500	985,800
MINOR WORKS:				
Receipts	154,594	163,500	187,400	167,100
Expenditure	875,021	863,200	922,000	991,000
Net Expenditure ...	720,427	699,700	734,600	823,900
Net Receipts, Major and Minor Works.	231,756	255,100	219,900	161,900

More than two-fifths of the revenue under this head is obtained in the Punjab, and the variations shewn under Major Works have mainly occurred in this Province.

Under Minor Works the increased expenditure in 1904–1905 has taken place chiefly in Madras and Bengal. In the Budget Estimate for 1905–1906 provision is made for a special grant of £66,700 (10 lakhs) from Imperial revenues in accordance with the recommendations of the Irrigation Commission.

Mint.

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
Receipts	2,884,766	196,100	197,000	105,500
Charges	2,785,585	232,100	120,700	123,300
Net receipts ...	99,181	*—36,000*	76,300	*—17,800*

The great decrease in the figures for 1904–1905 and 1905–1906 is due to a change in the method of exhibiting the net profit on the coinage of new rupees. This profit is not retained as a part of the ordinary revenue of the Government of India, but is transferred to the Gold Reserve Fund as it accrues. Up to and including 1903-1904 the amount of the profit realised, and the corresponding amount transferred to the Gold Reserve Fund, were brought to account separately as a receipt and payment, respectively, under the head "Mint." These transactions are now excluded from the Revenue and Expenditure Account and shewn elsewhere under "Deposits and Advances." The net profit in 1903–1904 amounted to £2,627,575.

Information regarding the amount of the Gold Reserve Fund and the form in which it is held is given on pages 10 and 11 above.

The coinage of rupees, including the re-coinage of withdrawn issues, has been as follows in the last two years :—

	Rs.
1903–1904	16,17,17,556
1904–1905	10,86,63,537

Exchange.

	£
Accounts, 1903–1904	58,429
Budget, 1904–1905	69,900
Revised Estimate, 1904–1905	99,100
Budget, 1905–1906	54,700

The average rate obtained for bills and telegraphic transfers sold by the Secretary of State for India was 16·0491 pence in 1903–1904 and 16·045 pence in 1904–1905. The receipt on account of exchange entered in the Budget for 1905–1906 represents the anticipated gain on transactions with railway companies at contract rates of exchange.

NET EXPENDITURE.

Debt Services.

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
Total payments for Interest on Debt ...	7,127,899	7,235,500	7,290,600	7,292,400
Deduct amount chargeable to Railways (*included under Railways, page* 18).	*4,857,462*	*5,080,800*	*5,083,600*	*5,348,300*
Deduct amount chargeable to Irrigation (*included under Irrigation, page* 20).	*994,235*	*1,023,500*	*1,015,900*	*1,048,300*
Interest on Ordinary Debt	1,276,202	1,131,200	1,191,100	895,800
Interest on other obligations	421,425	445,100	447,300	469,100
Total	1,697,627	1,576,300	1,638,400	1,364,900
Interest Receipts	896,062	769,000	869,700	805,400
Net Interest Payments other than those chargeable to Railways and Irrigation.	801,565	807,300	768,700	559,500

The total debt is classified in the Accounts as (1) Public Works Debt and (2) Ordinary Debt. The amount entered as belonging to the former category is the equivalent of the total capital expenditure which has been incurred by the State on Public Works, and the interest on this sum is charged under Railways and Irrigation (*see* pages 18 and 20 above) ; the "Ordinary Debt" consists of the remainder of the debt. In any year in which, owing to the use of surplus revenue or deposits for the construction of Public Works, the capital expenditure of the year exceeds the amount of debt incurred in the year, the effect of this system of classification is to cause a decrease to be shown in the amount of the Ordinary Debt and of the interest thereon. The figures in the table above show a decrease due to this cause.

The most important of the "other obligations" referred to in the table above are the Savings Banks Balances and the Service Funds and other special funds held by the Government of India.

The amount of the debt and other obligations is shewn on page 10 above.

The receipts shewn in the table include the interest received in India on loans granted by the Government to Native States, Municipalities, Port Trusts, Railway Companies, &c., and in England on the balances of the Secretary of State in Council.

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

ARMY.

India.

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
NET CHARGES IN INDIA.				
Effective Services :—	£	£	£	£
Army and Garrison and Administrative Staff.	536,509	557,500	538,200	558,000
Regimental Pay, Allowances and Charges.	5,898,642	6,555,900	6,504,700	6,562,400
Supply and Transport... ...	2,526,138	2,558,500	2,514,800	2,593,100
Medical Establishments, Supplies and Services.	560,762	588,000	570,900	582,200
Ordnance Establishments, Stores and Camp Equipage.	599,777	755,300	710,000	814,000
Miscellaneous Services ...	617,745	424,400	843,900	195,200
Other Effective Services ...	896,014	969,200	922,600	922,100
Total Effective Services ...	11,635,587	12,408,800	12,605,100	12,227,000
Non-effective Charges	579,164	574,900	576,900	578,100
Reorganization	—	—	491,500	569,100
Total, India	12,214,751	12,983,700	13,673,500	13,374,200

England.

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
Effective Services :—				
Charges—	£	£	£	£
Payments to War Office for British Forces in India.	627,109	556,000	644,600	646,000
Furlough Allowances	402,247	353,000	408,000	376,000
Indian Troop Service and Passage of Officers.	370,506	352,800	390,000	340,300
Miscellaneous	44,818	34,000	52,000	42,000
Stores	1,174,100	1,863,800*	1,442,400	853,500
Total	2,618,780	3,159,600	2,937,000	2,257,800
Receipts—				
Contribution of Imperial Government towards Transport Charges.	130,000	130,000	130,000	130,000
Contribution of Imperial Government towards Military Charges for Aden.	100,000	100,000	100,000	100,000
Transfer and Sale of Stores, Recoveries, &c.	172,632	104,400	128,100	70,900
Total	402,632	334,400	358,100	300,900
Net Charge for Effective Services ...	2,216,148	2,825,200	2,578,900	1,956,900
Non-effective Charges (net) ...	2,344,881	2,406,100	2,400,300	2,388,000
Reorganization	—	—	700,000	1,635,600
Total, England	4,561,029	5,231,300	5,679,200	5,980,500
Grand Total	16,775,780	18,215,000	19,352,700	19,354,700

* Includes a grant of £700,000 transferred in the Revised Estimate to the sub-head "Reorganization."

Expenditure in 1904–1905.—The total net expenditure on the Army was estimated in the Budget for 1904–1905 at £18,215,000. The expenditure given in the Revised Estimate is £19,352,700, being an increase of £1,137,700. It will be seen from the table on the preceding page that the Revised Estimate includes a net expenditure of £1,191,500 (viz., £491,500 in India and £700,000 in England) under the new sub-head "Reorganisation." The £700,000 expended in England is a grant for artillery and rifles which was included in the Budget Estimate under the sub-head "Stores," and has now been transferred to the sub-head "Reorganisation." The £491,500 expended in India on Reorganisation was granted in the course of 1904–1905 after the Budget had been presented, and has been spent on mules, horses, materials for the manufacture of ammunition, and other stores and equipment.

The expenditure on Re-organisation, of which this grant forms part, will extend over some years, during which it is intended to redistribute the Army in India, to improve the organisation, and to acquire additional arms, ammunition, transport, and stores. It is proposed to spend about £2,000,000 a year on the scheme, the expenditure being shown separately, partly under Army and partly under Military Works.

The other chief causes contributing to the increase in expenditure in the Revised Estimate for 1904–1905 are (1) an increase of £380,000 over the amount (£240,000) originally provided for the Tibet Expedition in the year, and (2) an increase in the expenditure in England on stores other than Reorganisation stores.

Expenditure in 1905–1906.—The total net expenditure on the Army in the Budget for 1905-1906 differs by only £2,000 from that in the Revised Estimate for 1904–1905. There are decreases of £648,700 in the expenditure on Miscellaneous Services in India, mainly due to the termination of the Tibet Mission, and of £588,900 on ordinary stores in England. On the other hand, the provision under "Army" for Reorganisation exceeds by £1,013,200 the expenditure in 1904–1905. The greater part of the Reorganisation grant included in the Army Estimates is to be spent on artillery and ammunition.

The total provision for Reorganisation in 1905–1906 is £2,439,900, viz. :— £2,204,700 under Army and £235,200 under Military Works (see below). This sum includes £333,300, which having been granted but not spent in 1904–1905, is available for expenditure during the current year.

Military Works.

		£
Accounts, 1903–1904		989,571
Budget, 1904–1905		1,018,300
Revised Estimate, 1904–1905 :—		
Ordinary expenditure ...	£940,200	
Reorganisation	2,300	
		942,500
Budget Estimate, 1905–1906 :—		
Ordinary expenditure ...	868,800	
Reorganisation	235,200	
		1,104,000

Of the provision for Reorganisation Expenditure in 1905–1906, £147,000 is for the construction of barracks in connection with the Redistribution Scheme and the remainder is for the increase of the manufacturing power of the ordnance factories in India.

Special Defence Works.

	£
Accounts, 1903-1904	27,054
Budget, 1904–1905	256,700
Revised Estimate, 1904–1905	147,900
Budget, 1905–1906	253,200

This expenditure is for a scheme of special coast defences begun in 1903–1904.

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

Collection of Revenue.

	Accounts, 1903-1904.	Budget, 1904-1905.	Revised Estimate, 1904-1905.	Budget, 1905-1906.
	£	£	£	£
Land Revenue	3,048,884	3,319,400	3,192,900	3,378,000
Forest	813,618	894,700	875,900	926,500
Salt	331,191	376,600	345,200	373,300
Stamps	122,379	118,300	121,600	124,700
Excise	213,928	250,500	242,300	268,600
Provincial Rates	39,212	41,400	38,100	39,100
Customs	168,165	179,800	181,500	188,900
Assessed Taxes	23,208	22,000	22,500	22,500
Registration	177,800	181,300	181,000	188,100
Total ... £	4,938,385	5,384,000	5,201,000	5,509,700

The variations under Land Revenue occur mainly in connection with Survey and Settlement operations and with changes in Provincial and Village establishments.

The charges for Forest conservation, &c., increase with the work of the Department and the growth of the gross revenue.

Civil Departments.

	£
Accounts, 1903–1904	10,381,887
Budget, 1904–1905	11,325,500
Revised Estimate, 1904–1905	10,793,500
Budget, 1905–1906	11,871,500

The following table shews the charges for the several departments :—

	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
General Administration ...	1,493,345	1,441,100	1,469,900	1,500,700
Law Courts and Jails ...	2,491,001	2,629,600	2,533,300	2,658,100
Police	2,764,249	2,866,300	2,825,400	3,230,500
Marine	335,386	464,400	407,700	421,400
Education	1,181,286	1,365,500	1,280,400	1,633,100
Ecclesiastical	113,741	123,400	120,200	125,900
Medical	861,810	971,200	921,800	986,700
Political	702,570	1,000,100	804,100	670,100
Scientific and Minor Departments.	438,499	463,900	430,700	645,000
Total	10,381,887	11,325,500	10,793,500	11,871,500

The increases in 1905–1906 under "Police," "Education," and "Scientific and Minor Departments," are mainly due to the special grants of £333,000 for Police Reform, £233,000 for Education, and £133,000 for Agriculture mentioned on page 6 above.

Miscellaneous Civil Charges.

	£
Accounts, 1903–1904...	3,714,097
Budget, 1904–1905	3,593,300
Revised Estimate, 1904–1905	3,687,200
Budget, 1905–1906	3,623,100

The expenditure under this head includes Territorial and Political Pensions, Furlough and Absentee Allowances, Superannuation Allowances and Pensions, Stationery and Printing, and other miscellaneous charges. The most important figures are those relating to Civil Superannuation Allowances and Pensions, the net charge for which is as follows:—

——	India.	England.	Total.
	£	£	£
1903–1904	723,532	1,933,468	2,657,000
1904–1905 (Revised Estimate) ...	771,600	1,943,100	2,714,700
1905–1906 (Budget)	798,700	1,951,700	2,750,400

Famine Relief and Insurance.

——	Accounts, 1903–1904.	Budget, 1904–1905.	Revised Estimate, 1904–1905.	Budget, 1905–1906.
	£	£	£	£
Famine Relief	20,351	—	8,800	211,700
Protective Railways...	96,605	147,000	130,200	35,100
Protective Irrigation Works ...	144,446	233,300	217,900	380,000
Reduction or avoidance of Debt ...	644,278	546,100	643,100	373,200
Total	905,680	926,400	1,000,000	1,000,000
Add net loss on Bengal-Nagpur and Indian Midland Railways, included under Railway Revenue Account.	94,320	73,600	—	—
Grand Total	1,000,000	1,000,000	1,000,000	1,000,000

A sum of not less than £1,000,000 is annually appropriated for the purposes of Famine Relief and Insurance. When the outlay on direct famine relief is less than this sum, the balance is used (1) for the construction or maintenance of protective railways and irrigation works (the cost of which is regularly defrayed from revenue), and (2) for the construction of ordinary public works, which would otherwise require additional borrowing. The amount used for the last mentioned purpose is shown under the head of "Reduction or Avoidance of Debt."

The provision for famine relief in 1905–1906 is for expenditure in Bombay and Madras to relieve distress due to the failure of the autumn and winter rains in Gujerat and the Deccan.

Appendix II.

Notes on the main heads of Net Revenue and Expenditure.

The provision for Protective Irrigation Works has been increased in 1905–1906 to enable progress to be made with projects in Bengal, the United Provinces of Agra and Oudh, and Bombay.

Up to and including 1903–1904 the net charge for working the Bengal-Nagpur and the Indian Midland Railways was debited to the Famine Insurance Grant, because the lines were constructed as protective works, and in the Budget for 1904–1905 it was proposed to make a similar charge against the grant in that year: but it has now been decided to discontinue the practice.

Civil Works (including construction of railways charged to Provincial or Local revenues).

	£
Accounts, 1903–1904	4,118,384
Budget, 1904–1905	4,645,100
Revised Estimate, 1904–1905	4,333,800
Budget, 1905–1906	5,092,100

The increase in the Budget for 1905–1906 is mainly due to the special grant of £377,000 to District and Local Boards mentioned on page 7 above In Burma, Bengal and Bombay, provision is also made for increased expenditure on Civil Works from provincial resources.

Provincial Balances.

	Amount added to Provincial Balances and charged against the Revenue of the Year.	Expenditure defrayed from Provincial Balances instead of being charged against the Revenue of the Year.
	£	£
Accounts, 1903–1904	1,195,259	—
Budget, 1904–1905	—	1,316,800
Revised Estimate, 1904–1905	—	24,100
Budget, 1905–1906	—	1,370,300

In the Budget for 1904–1905 it was anticipated that the revenue accruing to the Provincial Governments in the year (including certain special grants made by the Government of India at the beginning of the year) would amount to £19,721,000, and that the Provincial expenditure of the year would be £21,037,800, of which £1,316,800, being the excess of Provincial expenditure over Provincial revenue, would be met from Provincial Balances, the remainder being charged against the Revenue of the year.

The revenue accruing to the Provincial Governments was, however, £20,552,800; the excess over the Budget estimate being mainly due to the grant of 50 lakhs (£333,000) to the Government of Bombay and the same amount to the Government of the Punjab in connection with the introduction of the new settlements. (*See* below.) The expenditure of the Provincial Governments amounted to £20,576,900, the saving as compared with the Budget Estimate being due to the fact that certain grants (mainly under the head of Civil Works) were not fully spent. Out of a grant of £133,000 for the extension and improvement of Simla only £8,300 was spent.

Thus, whereas it had been anticipated in the Budget that £1,316,800 would be provided from Provincial balances towards defraying the expenditure of the year, the amount so provided was only £24,100, and the Provincial adjustments were accordingly less favourable to the Government of India by £1,292,700.

In 1905–1906 it is anticipated that Provincial balances will contribute £1,370,300 towards the expenditure of the year.

Notes on the main heads of Net Revenue and Expenditure.

It was mentioned in last year's Explanatory Memorandum that in 1903–1904 new arrangements were introduced in certain provinces for regulating the financial relations between the Government of India and the Provincial Governments. Formerly the Provincial Settlements (which fixed the revenue to be enjoyed, and the expenditure to be defrayed, by Provincial Governments) were revised every five years. Under the new scheme no period of revision is prescribed, and it is intended that the assignments of revenue and expenditure shall, as far as possible, be permanent: though the Government of India necessarily reserves to itself the power to revise the settlement of any, or all, Provinces in case of need. New settlements under this scheme were made in 1903–1904 with Bengal, Madras, the United Provinces, and Assam, and in 1904–1905, as mentioned above, with Bombay and the Punjab. A new settlement will be introduced in the Central Provinces in 1905–1906 and in Burma on the expiration of the current settlement in 1906–1097.

Appendix III.

Home Charges.

APPENDIX III

Home Charges.

The following is an analysis of the Net Expenditure in England charged on the Revenue of the year :—

Net Expenditure.	Accounts, 1903-1904.	Revised Estimate, 1904-1905.	Budget, 1905-1906.
	£	£	£
Interest and Management of Debt (excluding Interest charged in Railway Revenue Account)	2,889,490	2,932,900	2,887,700
Railway Revenue Account	6,582,650	6,659,400	6,787,900
Civil Administration : Payments on account of Departments in India, passage, outfit, &c. ..	23,862	28,700	32,000
Postal Subsidy	52,000	104,500	61,200
Telegraph : Red Sea Company's Annuity	18,027	18,000	18,000
„ Indo-European	45,662	19,400	52,300
„ Joint Purse Guarantee	—	18,400	—
Public Works : Civil Engineering College	5,098	3,700	5,900
„ Other Charges	2,987	3,000	3,400
Marine : His Majesty's ships in Indian Seas	100,023	100,200	100,200
„ Indian Government Defence Vessels	*21,000*	*4,500*	—
„ Other Charges	1,758	3,300	3,000
Indian Civil Service : Allowances to Candidates, Examinations, &c. ..	7,969	8,500	8,600
Lunatics : Maintenance	2,333	2,100	2,000
Political Charges : Persian Mission and Minor Consulates	4,106	1,300	*5,600*
„ Pensions : Territorial and Political	10,843	10,800	10,800
„ Other Charges	422	2,100	2,000
India Office : Salaries of Establishment	132,973	132,000	133,200
„ „ Auditor's Department	7,229	7,200	7,300
„ Store Department	26,270	25,800	24,500
„ Stationery, Postage, Telegrams, and other Charges	32,005	26,600	27,200
Army, Effective : Home Charges of British Forces serving in India (including receipt on account of Aden)	548,928	562,600	562,000
„ „ Troop Service and Transport (including receipt from War Office)	228,153	184,800	174,300
„ „ Other Charges	44,114	51,200	41,300
Stores : Civil and Public Works	336,577	342,200	298,800
„ Telegraph	168,724	150,000	233,000
„ Marine	179,401	168,500	178,400
„ Military	1,014,525	1,390,300	819,300
„ „ Reorganisation	—	700,000	1,635,600
„ Special Defences (1902)	5,361	100,000	175,000
„ Miscellaneous Charges	*3,342*	48,000	*27,700*
Furlough : Civil and Marine	238,303	221,600	250,000
„ Military	380,428	390,000	360,000
„ Telegraph and Public Works	55,502	45,000	61,500
Non-Effective Charges : Civil and Marine	1,339,531	1,354,900	1,368,000
„ Military	2,938,818	2,988,500	2,971,700
Total	17,399,730	18,801,000	19,262,800

The Expenditure in England not charged on the Revenues of the year is as follows :—

Expenditure.	Accounts, 1903-1904.	Revised Estimate, 1904-1905.	Budget, 1905-1906.
	£	£	£
Capital outlay on construction of State Railways	1,301,774	1,509,000	2,346,000
„ „ on Irrigation Works	3,809	8,000	26,500
Total	1,305,583	1,517,000	2,372,500

APPENDIX IV.

Railways: Mileage and Traffic.

Length of railways open in India on 31st March, 1903			26,305·5 miles.
Length of railways open in India on 31st March, 1904			27,125·6 „
Additional mileage opened in 1904–1905:—			
Agra-Delhi Chord	119·9	miles	
Bengal-Nagpur	117·0	„	
Bengal and North Western ...	84·5	„	
North Western	61·8	„	
Tinnevelly-Quilon	58·5	„	
Rajputana-Malwa	32·6	„	
Moharbhanj	32·1	„	
Baraset-Basirhat	26	„	
Gwalior	25·9	„	
Oudh and Rohilkhand	25·1	„	
Jodhpur	9	„	
Other Railways	31·1	„	
Total			623·5 „
Length of railways open in India on 31st March, 1905			27,749·1 miles.

—	1902.	1903.	1904.
Number of passengers carried	196,648,000	210,230,600	229,774,600
Tons of goods carried	45,537,000	47,684,000	54,325,000

Appendix IV.

Railways.

Railways: Capital Outlay and Net Traffic Receipts.

(The Capital at charge for each line on 31st March, 1904, is calculated by deducting from the total capital outlay up to 31st March, 1904, half the outlay in 1903–1904.)

—	—	Capital at Charge, March 31st, 1904.	Net Receipts, 1903-1904.	Percentage of Net Receipts on Capital Outlay.
		£	£	
Guaranteed ...	Bombay-Baroda and Central India ...	10,880,486	544,818	5·01
	Madras	12,288,036	396,645	3·23
State	East Indian	40,511,076	3,131,398	7·73
	Rajputana-Malwa	10,489,978	720,930	6·87
	Bhopal	202,242	12,763	6·31
	Palanpur-Deesa	15,806	411	2·60
	Bengal-Nagpur	17,151,659	531,921	3·10
	Warora Colliery	100,082	11,391	11·38
	Burma	8,429,727	374,780	4·45
	Assam-Bengal	8,023,395	33,772	·42
	Jorhat	60,380	595	·98
	Eastern Bengal	10,709,017	581,060	5·42
	Bengal Central	1,017,631	33,680	3·31
	Brahmaputra-Sultanpur	183,869	9,891	5·38
	Tirhoot	3,365,083	225,264	6·69
	Oudh and Rohilkhand	12,173,015	465,393	3·82
	Indian Midland	8,455,590	258,899	3·06
	Lucknow-Bareilly Section	791,387	50,944	6·44
	Hardwar-Dehra	175,202	8,842	5·05
	North Western	38,463,475	1,705,891	4·43
	South Indian	6,870,261	464,344	6·76
	North East Line, Madras Railway ...	4,171,351	108,784	2·61
	Nilgiri	236,024	4,932	2·09
	Bezwada Extension	77,903	10,282	13·20
	Guntakal-Mysore Frontier	393,783	14,129	3·59
	Mysore	1,183,679	40,589	3·43
	Mayavaram-Mutupet	291,059	13,690	4·70
	Tinnevelly-Quilon (British Section)...	243,423	7,571	3·11
	Great Indian Peninsula	27,593,825	1,515,580	5·49
	Southern Mahratta	7,924,249	173,930	2·19
	Jodhpur - Hyderabad (British Section).	264,043	17,492	6·62
		232,736,736	11,470,611	4·93
Unopened lines, stores, &c.	... ...	2,731,588		
		235,468,324	11,470,611	4·87
Private Companies :— Government payments.	... ...	1,763,870		
		237,232,194		

APPENDIX V.

Major Irrigation Works: Capital Outlay and Net Earnings.

	Capital Outlay to end of 1903-1904.	Net Earnings (being gross receipts less working expenses).	Percentage of net Earnings on Capital Outlay.
Bengal :—	£	£	
Orissa Project	1,731,427	4,804	·28
Midnapore	552,903	5,287	·96
Sone	1,720,293	55,597	3·23
United Provinces :—			
Ganges	1,908,083	212,573	11·14
Lower Ganges	2,262,857	98,057	4·33
Agra	630,487	38,431	6·10
Eastern Jumna	285,313	67,567	23·68
Betwa	295,078	2,282	·77
Punjab and N.W. Frontier Province :—			
Western Jumna	1,098,329	104,156	9·48
Bari-Doab	1,265,671	170,479	13·47
Sirhind	1,571,677	126,296	8·04
Chenab	1,819,536	445,493	24·48
Jhelum	867,948	*— 3,722*	*— ·43*
North West Frontier Province :—			
Swat River	268,016	31,202	11·64
Madras :—			
Godavari Delta	772,033	161,077	20·87
Kistna Delta	926,536	130,496	14·08
Pennér-Anicut	359,385	20,246	5·63
Kurnool-Cuddapah	1,450,579	6,984	·48
Periyar Project	591,934	23,936	4·04
Rushikulya Project	302,699	2,450	·81
Bombay :—			
E. Nara Works	420,660	29,862	7·10
Mutha	459,672	15,461	3·36
Jamrao	549,060	29,344	5·34
Nira	357,830	12,951	3·62
Burma :—			
Mandalay	329,040	51	·02
Other Works	2,493,490	155,058	6·21
Total	25,290,626	1,946,418	7·70

Appendix VI.

Trade Tables.

APPENDIX VI.

Trade Tables.

A.—Sea-borne Trade :—

I.—General Summary.

II.—Imports and Exports of Merchandise : Summary distinguishing Government transactions from transactions on Private Account.

III.—Movements of Treasure.

IV.—Analysis of Imports of Merchandise, shewing the principal articles separately.

V.—Analysis of Exports of Merchandise, shewing the principal articles separately.

VI.—Analysis of Imports of Merchandise on Private Account, shewing separately the countries of origin.

VII.—Analysis of Exports of Indian Merchandise on Private Account, shewing separately the countries of destination.

B.—Land Trade : Summary.

I.—*Summary of Sea-borne Trade.*

	1902–1903.	1903–1904.	1904–1905.
Imports :—	£	£	£
Merchandise	57,212,776	61,728,182	69,609,324
Treasure	16,919,237	25,684,072	26,338,783
Total	74,132,013	87,412,254	95,948,107
Exports :—			
Merchandise :—			
Indian Produce	84,266,537	100,087,754	102,863,947
Re-exports	1,997,863	2,257,019	2,275,344
Total	86,264,400	102,344,773	105,139,291
Treasure	6,438,425	10,029,254	10,952,544
Total	92,702,825	112,374,027	116,091,835
Total Imports and Exports	166,834,838	199,786,281	212,039,942
Net Exports...	18,570,812	24,961,773	20,143,728

II.—*Sea-borne Trade—Imports and Exports of Merchandise: Summary distinguishing Government Transactions from Transactions in Private Account.*

	1902–1903.	1903–1904.	1904–1905.
	£	£	£
Imports of Merchandise :—			
Private	52,525,272	56,548,862	64,457,661
Government	4,687,504	5,179,320	5,151,663
Total Imports	57,212,776	61,728,182	69,609,324
Exports of Merchandise :—			
Private	85,876,910	101,973,055	105,000,850
Government	387,490	371,718	138,441
Total Exports	86,264,400	102,344,773	105,139,291
Net Exports, Private	33,351,638	45,424,193	40,543,189
Net Imports, Government	4,300,014	4,807,602	5,013,222

III.—*Sea-borne Trade—Movements of Treasure.*

	1902–1903.	1903–1904.	1904–1905.
	£	£	£
Gold :—			
Net Imports (+) or Exports (−) on Private Account.	+6,312,842	+10,885,666	+12,075,590
Net Imports (+) or Exports (−) on Government Account.	— *469,798*	— *4,264,559*	— *5,604,999*
Total Net Imports	5,843,044	6,621,107	6,470,591
Silver :—			
Net Imports (+) or Exports (−) on Private Account.	+4,650,969	+ 4,976,928	+ 4,625,053
Net Imports (+) or Exports (−) on Government Account.	— *13,201*	+ 4,056,783	+ 4,290,595
Total Net Imports	4,637,768	9,033,711	8,915,648
Total Net Imports of Treasure	10,480,812	15,654,818	15,386,239

IV.—*Sea-borne Trade—Analysis of Imports of Merchandise, shewing the principal articles separately.*

	1902–1903.	1903–1904.	1904–1905.
A. *On Private Account*—	£	£	£
1. Live Animals	296,627	357,522	395,176
2. Articles of Food and Drink :—			
Liquors	1,180,420	1,218,210	1,249,039
Provisions :—			
From United Kingdom...	505,461	544,297	560,061
From elsewhere	721.906	807,223	883,701
Total	1,227,367	1,351,520	1,443,762
Salt	414,336	424,611	474,199
Spices	565,202	548,010	688,223
Sugar (Refined) :—			
From United Kingdom...	201,466	420,338	79,941
From Mauritius	1,264,882	1,692,617	1,250,130
From Austria-Hungary and Germany ...	655,401	193,670	1,155,583
From Java	314,098	684,887	1,273,400
From elsewhere	743,861	758,832	664,991
Unrefined Sugar, Molasses, and Confectionery	123,565	206,839	177,757
Total	3,303,273	3,957,183	4,601,802
Other articles	313,573	296,949	266,869
Total value of articles of Food and Drink ...	7,004,171	7,796,483	8,723,894
3. Metals and Manufactures of Metals :—			
Hardware and Cutlery :—			
From United Kingdom	928,769	1,003,734	1,049,333
From Germany	142,086	176,620	203,522
From elsewhere	261,923	371,533	344,363
Total...	1,332,778	1,551,887	1,597,218

IV.—*Sea-borne Trade—Analysis of Imports of Merchandise, shewing the principal articles separately—cont.*

A. *On Private Account—cont.*	1902–1903.	1903–1904.	1904–1905.
3. Metals and Manufactures of Metals—*cont.*	£	£	£
Machinery and Millwork :—			
From United Kingdom	1,804,489	2,116,517	2,556,262
From elsewhere	64,738	118.578	128,566
Total	1,869,227	2,235,095	2,684,828
Iron and Steel :—			
From United Kingdom...	2,120,502	2,590,001	
From Belgium	984,320	1,046,665	4,107,321
From elsewhere	286,194	408,966	
Total	3,391,016	4,045,632	4,107,321
Copper	1,308,288	1,445,852	1,405,968
Other Metals	632,032	705,506	718,291
Railway Plant (other than Government Stores)	1,074,481	934,643	939,772
Total value of Metals and Manufactures of Metals :—			
From United Kingdom...	7,088,816	7,779,734	
From Belgium	1,138,921	1,261,228	11,453,398
From elsewhere	1,380,085	1,877,653	
Total	9,607,822	10,918,615	11,453,398
4. Chemicals, Drugs, Medicines, Narcotics, Dyeing and Tanning Materials.	1,631,104	1,833,765	1,869,372
5. Oils	2,476,563	2,358,327	2,298,323
6. Raw materials and unmanufactured articles :—			
Jewellery	763,498	1,014,367	585,072
Silk	367,743	395 302	489,408
Other articles	1,183,280	1,183.166	1,741,548
Total	2,314,521	2,592,835	2,816,028

Appendix VI.

Trade Tables.

IV.—*Sea-borne Trade—Analysis of Imports of Merchandise, shewing the principal articles separately—cont.*

	1902–1903.	1903–1904.	1904–1905.
A. *On Private Account—cont.*	£	£	£
7. Articles manufactured and partly manufactured :—			
Cotton :—			
From the United Kingdom	19,393,756	19,474,010	25,371,114
From elsewhere	903,852	1,199,708	
Total	20,297,608	20,673,718	25,371,114
Silk	1,088,215	1,222,315	1,412,090
Wool :—			
From the United Kingdom	652,473	946,397	2,050,952
From elsewhere	284,801	493,181	
Total	937,274	1,439,578	2,050,952
Apparel (excluding hosiery and boots) :—			
From the United Kingdom	529,879	568,815	587,405
From elsewhere	512,285	575,473	675,306
Total	1,042,164	1,144,288	1,262,711
Glass and Glassware :—			
From the United Kingdom	118,019	111,948	104,769
From Austria-Hungary	232,790	249,100	334,867
From elsewhere	279,737	300,336	310,837
Total	630,546	661,384	750,473
Other articles	5,198,657	5,549,932	6,054,130
Total value of articles manufactured and partly manufactured.	29,194,464	30,691,215	36,901,470
Total value of Imports of Merchandise on Private Account :—			
From the United Kingdom	34,855,099	36,706,020	64,457,661
From elsewhere	17,670,173	19,842,842	
Total	52,525,272	56,548,862	64,457,661
B. *Government Stores*	4,687,504	5,179,320	5,151,663
Grand Total, Imports of Merchandise ...	57,212,776	61,728,182	69,609,324

V.—*Sea-borne Trade—Analysis of Exports of Merchandise, shewing the principal articles separately.*

	1902–1903.	1903–1904.	1904–1905.
A. *Indian Merchandise exported on Private Account.*	£	£	£
1. Animals, living	137,406	148,502	139,342
2. Articles of Food and Drink :—			
Coffee	880,842	911,585	1,107,317
Rice :—			
To the United Kingdom	814,231	1,047,551	13,065,154
*To Egypt	3,601,758	198,167	
To Straits Settlements	2,354,855	2,043,225	
To Ceylon	1,737,356	1,811,185	
To Japan	1,084,104	1,975,231	
To other countries	3,004,530	5,647,923	
Total	12,596,834	12,723,282	13,065,154
Wheat and Wheat flour :—			
To the United Kingdom	1,948,196	6,032,913	12,399,817
*To Egypt	676,140	53,901	
To other countries	696,211	659,079	
Total	3,320,547	7,745,893	12,399,817
Other grains and Pulse	1,069,144	1,259,376	1,935,185
Provisions	452,567	409,702	438,067
Spices	424,140	618,717	462,674
Tea :—			
To United Kingdom	4,186,004	4,726,074	5,647,948
To other countries	721,757	979,214	
Total	4,907,761	5,705,288	5,647,948
Other articles	280,702	433,002	308,748
Total, Articles of Food and Drink	23,932,537	29,806,845	35,364,910
3. Metals and Manufactures of Metals	200,538	229,897	244,855
4. Chemicals, Drugs, Dyeing Materials, &c.:			
Opium :—			
To China	4,017,450	5,186,727	5,541,040
To other countries	1,327,173	1,793,383	1,541,256
Total	5,344,623	6,980,110	7,082,296

* From the 1st April, 1903, the exports of rice and wheat to Egyptian ports "for orders" are adjusted as exports to the countries of final destination.

Appendix VI.

Trade Tables.

V.—*Sea-borne Trade—Analysis of Exports of Merchandise, shewing the principal articles separately—cont.*

A. *Indian Merchandise exported on Private Account—cont.*	1902–1903.	1903–1904.	1904–1905.
4. Chemicals, Drugs, Dyeing Materials, &c.—*cont.*			
Indigo :—	£	£	£
To the United Kingdom	147,452	131,712	126,845
To Egypt	197,388	170,727	121,067
To other countries	458,948	415,029	308,493
Total	803,788	717,468	556,405
Other articles	994,567	973,864	887,458
Total, Chemicals, Drugs, &c.	7,142,978	8,671,442	8,526,159
5. Oils	571,786	687,268	668,712
6. Raw Materials and Unmanufactured Articles :—			
Cotton :—			
To Japan	2,650,186	3,456,491	3,921,987
To Germany	1,829,912	3,096,314	2,012,954
To other countries	5,358,034	9,697,959	5,688,184
Total	9,838,132	16,250,764	11,623,125
Hides and Skins (Unprepared) :—			
To the United States	1,630,366	1,592,532	1,972,361
To other countries	2,060,946	2,298,277	2,732,765
Total	3,691,312	3,890,809	4,705,126
Jute :—			
To the United Kingdom	3,281,812	3,480,398	3,330,354
To Germany	1,478,876	1,545,320	1,741,273
To other countries	2,656,962	2,786,363	2,907,804
Total	7,417,650	7,812,081	7,979,431
Linseed :—			
To United Kingdom	1,346,185	1,349,912	1,460,231
To other countries	2,447,808	2,479,539	2,758,919
Total	3,793,993	3,829,451	4,219,150
Other seeds	6,127,721	5,847,769	5,390,221
Wood, Teak and other	547,118	721,530	484,891
Wool, raw	776,880	918,264	1,261,116
Other articles	2,530,491	2,511,897	2,609,349
Total, Raw Materials and Unmanufactured Articles.	34,723,297	41,782,565	38,272,409

V.—*Sea-borne Trade—Analysis of Exports of Merchandise, shewing the principal articles separately—cont.*

	1902–1903.	1903–1904.	1904–1905.
A. *Indian Merchandise exported on Private Account—cont.*	£	£	£
7 Manufactured and partly manufactured articles :—			
Cotton twist and yarn :—			
To China	5,304,928	5,468,537	5,990,004
To other countries	388,428	425,825	552,430
Total	5,693,356	5,894,362	6,542,434
Other cotton	978,436	1,087,177	1,218,340
Total cotton	6,671,792	6,981,539	7,760,774
Jute :—			
To the United Kingdom	573,257	516,675	
To the United States	2,093,212	2,121,267	6,625,912
To other countries	3,346,798	3,674,856	
Total	6,013,267	6,312,798	6,625,912
Hides and Skins :—			
To the United Kingdom	1,683,809	1,812,346	1,607,601
To other countries	248,315	253,571	293,544
Total	1,932,124	2,065,917	1,901,145
Lac :—			
To the United Kingdom	567,621	887,421	1,988,201
To other countries	637,409	899,226	
Total	1,205,030	1,786,647	1,988,201
Other articles	1,389,079	1,282,629	1,270,026
Total, manufactured and partly manufactured articles.	17,211,292	18,429,530	19,546,058
Total exports of Indian merchandise on Private Account :—			
To the United Kingdom	21,165,230	27,060,819	102,752,444
To other countries	62,754,604	72,695,230	
Total	83,919,834	99,756,049	102,752,444
B. *Government Stores, exports*	346,703	331,705	111,503
Total exports, Indian merchandise	84,266,537	100,087,754	102,863,947

V.—*Sea-borne Trade—Analysis of Exports of Merchandise, shewing the principal articles separately—cont..*

	1902–1903.	1903–1904.	1904–1905.
	£	£	£
C. *Re-exports—On Private Account:—*			
Cotton, wool and apparel	1,073,934	1,223,140	1,209,658
Other articles	883,141	993,866	1,038,748
D. *Re-exports—Government Stores*	40,788	40,013	26,938
Total	1,997,863	2,257,019	2,275,344
Grand Total, Exports of Merchandise	86,264,400	102,344,773	105,139,291

VI.—*Sea-borne Trade—Analysis of Imports of Merchandise on Private Account, shewing separately the countries of origin.*

Countries.	1902–03.	1903–04.	1904–05.
	£	£	£
Europe :—			
United Kingdom	34,855,099	36,706,021	42,045,579
Austria-Hungary	1,701,464	1,467,852	2,672,243
Belgium	2,061,487	2,214,308	2,346,768
France	945,516	1,078,656	1,203,474
Germany	1,441,251	1,948,063	2,488,065
Holland	412,414	502,909	399,031
Italy	557,115	636,372	827,943
Russia	1,803,882	1,663,866	1,115,144
Other countries	112,280	156,349	164,889
Total	43,890,508	46,374,396	53,263,136
Africa and adjacent Islands :—			
Egypt	202,668	387,060	404,477
Africa, British East	153,892	150,141	163,501
„ (other ports)	22,041	18,740	24,847
Mauritius	1,333,840	1,734,578	1,325,376
Other countries	4,967	12,376	43,362
Total	1,717,408	2,302,895	1,961,563

VI.—*Sea-borne Trade—Analysis of Imports of Merchandise on Private Account, shewing separately the countries of origin—cont.*

Countries.	1902–03.	1903–04.	1904–05.
	£	£	£
America :—			
Canada	—	8,887	425
South America	278	328	20,424
United States	808,661	852,474	990,494
West Indies	6,016	187	348
Total	814,955	861,876	1,011,691
Asia :—			
Aden	157,500	151,740	182,214
Arabia	438,241	482,238	471,508
Ceylon	474,500	469,918	415,201
China—Hong Kong	1,002,551	822,833	820,991
„ Treaty Ports	463,423	495,148	461,083
Japan	573,061	854,978	782,226
Persia	432,257	291,640	294,048
Straits Settlements	1,549,589	1,638,768	2,038,745
Turkey	123,986	251,528	245,240
Other countries	566,026	1,141,055	1,964,385
Total	5,781,134	6,599,846	7,675,641
Australia	321,267	409,849	545,630
Grand Total	52,525,272	56,548,862	64,457,661

Appendix VI.

Trade Tables.

VII.—*Sea-borne Trade—Analysis of Exports of Indian Merchandise on Private Account, shewing separately the countries of destination.*

Countries.	1902–03.	1903–04.	1904–05.
	£	£	£
Europe :—			
United Kingdom	21,165,230	27,060,820	28,237,781
Austria-Hungary	2,132,500	3,194,723	2,832,265
Belgium	3,301,660	5,107,961	5,496,837
France	6,091,940	6,589,897	6,295,240
Germany	6,775,719	9,864,671	8,979,953
Holland	539,302	1,232,473	1,146,688
Italy	2,264,204	3,300,602	2,816,459
Russia	256,866	518,800	350,187
Spain	391,196	852,115	786,186
Other Countries	141,352	298,836	324,416
Total	43,059,969	58,020,898	57,266,012
Africa and adjacent Islands :—			
Egypt	5,131,132*	858,502*	2,485,069*
Africa, East (British)	333,062	332,164	382,611
„ „ (Portuguese)	167,322	283,152	131,855
„ „ (other Ports)	165,443	210,416	337,760
Mauritius	716,463	769,384	755,309
Réunion	120,305	129,519	57,863
Other Countries	798,254	630,830	588,288
Total	7,431,981	3,213,967	4,738,755
America :—			
Canada	170,806	263,095	383,880
South America	1,079,523	1,439,839	1,807,494
United States	5,668,045	6,020,077	6,473,641
West Indies	221,555	265,688	253,775
Other Countries	53,059	53,933	41,146
Total	7,192,988	8,042,632	8,959,936

* From 1st April, 1903, the exports of rice, wheat, &c., to Egyptian ports "for orders" are adjusted as exports to the countries of final destination on receipt of information from the shippers. In the figures given above such adjustments have been made for exports of rice up to January, 1905, inclusive, and for exports of wheat up to and for March, 1905.

VII.—*Sea-borne Trade—Analysis of Exports of Indian Merchandise on Private Account, shewing separately the countries of destination—cont.*

Countries.	1902–03.	1903–04.	1904–05.
	£	£	£
Asia :—			
Aden...	610,365	1,002,020	862,086
Arabia	741,622	705,313	989,321
Ceylon	2,937,383	3,053,594	3,297,083
China, Hongkong	6,205,129	7,231,977	7,601,556
„ Treaty Ports	4,366,756	4,685,012	5,351,630
Japan	3,889,792	5,626,258	6,478,268
Persia	422,391	314,378	345,210
Straits Settlements	5,025,303	4,804,568	4,166,931
Turkey	465,602	682,387	690,370
Other Countries	612,109	1,113,124	868,973
Total	25,276,452	29,218,631	30,651,428
Australia	958,444	1,259,921	1,130,574
Grand Total	83,919,834	99,756,049	102,746,705

VIII.—*Land Trade: Summary.*

Countries.		1902–1903.	1903–1904.	1904–1905. (First 9 months only.)
		£	£	£
Afghanistan	Imports	323,152	434,834	441,289
	Exports	542,080	565,937	731,530
Kashmir	Imports	742,264	924,378	1,003,015
	Exports	787,341	807,059	632,129
Nepal	Imports	1,743,907	1,795,686	999,377
	Exports	955,386	912,617	603,228
Shan States	Imports	584,303	699,462	529,660
	Exports	564,192	524,167	432,419
Other Countries	Imports	1,187,107	1,356,733	953,356
	Exports	1,050,045	1,156,555	884,051
Total	Imports	4,580,733	5,211,093	3,926,697
	Exports	3,899,044	3,966,335	3,283,357

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EAST INDIA (ARMY ADMINISTRATION).

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ADMINISTRATION OF THE ARMY

IN

INDIA.

No. 1.

The Secretary of State for India to the Governor-General of India in Council.

MY LORD, December 2, 1904.

I HAVE now under consideration Your Excellency's military letter of the 13th October, on the subject of the Supply and Transport Corps, and in another despatch I propose to signify to you my decision regarding the changes which you there suggest.

2. The discussion of this subject has led to the raising of many important questions between the Commander-in-Chief and his Department on the one hand, and the Military Department represented by a Member of Your Excellency's Council on the other. In addition the scheme for the reorganisation of the Army in India put forward by Lord Kitchener, to which I have given my general approval in a despatch dated the 18th November, has shown that in the past the Indian Army has not been fully equipped for mobilisation. The scheme recently put forward by Your Excellency's Government, which will ultimately enable nine divisions to take the field, incidentally brings into prominence the fact that up to now full preparations have not been made for mobilising the four divisions which it was proposed in case of emergency to place on the north-west frontier of India.

3. In the course of the discussion above mentioned, it has been alleged that the present military organisation, under which the Commander-in-Chief is the executive head of the Army, commands the troops, and is responsible to Government for their discipline, training and efficiency, and under which the services on which the Indian Army depends for its subsistence and movements are administered by the Military Department in charge of a Member of Council, is in fact a system of dual control, which obviously is open to objection, and might seriously interfere with the transaction of business both in peace-time and in case of a general mobilisation of the Army.

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4. Your Excellency's Government may have good reasons for considering that the advantages of the system are in excess of the theoretical defects which are inherent in a system of dual control. As to this I at present reserve my opinion, but it must be remembered that the military system of India has never been tested by a mobilisation of all the forces maintained, and that, when a mobilisation of the whole of the Army in this country took place five years ago, although the actual work of mobilising, equipping and despatching the troops was carried out with great rapidity and completeness, there was, in the opinion of the Royal Commission subsequently appointed, a want of complete cohesion between certain departments of the War Office. The organisation of the War Office as it then existed was called in question, and has been the subject of enquiry, which has resulted in considerable changes.

5. These facts, coupled with the recent recommendation of Your Excellency's Government that the Commander-in-Chief should in future be charged with a degree of control over the Supply and Transport which had previously been committed to the Member in charge of the Military Department, appear to me to constitute a *primâ facie* case for a review of the present system. It is desirable to ascertain whether the two Departments existing side by side are working harmoniously, and are fully in touch with each other, and whether, in case of war, the system is one which would give to those responsible for the actual conduct of operations adequate means for supplying the requirements of the Army.

6. I feel assured that questions with regard to these points must have presented themselves to the mind of Your Excellency in Council. The danger of complications on the north-west frontier has been rendered greater by the completion of an additional strategic railway from Central Asia to the northern boundary of Afghanistan. It is clear that the Army, when mobilised, must be mobilised on a larger scale than has hitherto been anticipated. If nine divisions are to be placed in the field, the business of equipment and the provision of transport and supplies will be enormously increased, and any conditions which might hamper efficiency or cause duplication of work and delay, or create a conflict of authority as to whether expenditure deemed necessary by one Department and not equally necessary by another, should be incurred or not, would react most prejudicially on the conduct of the campaign. Circumstances have happily not exposed the Indian Army to the practical test of war with a European power, and the system has escaped criticism from outside. Under these circumstances I would urge on Your Excellency's Government the immediate consideration of the question.

7. I would request that I may be furnished, for the information of His Majesty's Government, with the opinion of the Commander-in-Chief and of the Member in charge of the Military Department on the points which I have named, and the opinion of your Government as a whole, as to whether under the present system the maximum of efficiency is obtained and the fullest provision against wasteful expenditure in time of peace, and against complications in case of mobilisation, is realised. If you should come to the conclusion that further change is desirable beyond that already sanctioned, I should be glad if you would designate the methods by which you would propose to amend the present system, and, as it would be desirable that any change which may be contemplated should take place while the new Army scheme is being brought into force, I desire to receive the result of your deliberations with as little delay as possible.

I have, &c.,

(Signed) ST. JOHN BRODRICK.

No. 2.

The Government of India to the Secretary of State for India.

SIR, March 23, 1905.

IN your despatch, No. 153, of 2nd December, you referred to us the important question of the present system of Military Administration in India, and you asked us, after obtaining the opinions of the Commander-in-Chief and the Military Member, to forward to you, with as little delay as possible, the views of our Government as a whole. We have acted upon your instructions, and we now submit to you the opinions for which you asked. His Excellency the Commander-in-Chief first stated his criticisms in a Minute which we forward with this despatch. The Military Member, the Honourable Sir E. Elles, replied in a Minute which is similarly enclosed. His Excellency the Viceroy then stated his views, which are also embodied in the form of a Minute. We have duly and fully considered these several presentments of the case, and we now forward to you our matured opinions upon the subject, as to which, with the single exception of His Excellency the Commander-in-Chief, we find ourselves in entire unison.

2. The question submitted to us appears, as we have examined it, to be a much larger one than was indicated in the despatch to which we are now replying, and to demand investigation from standpoints wider than those to which you there invited our attention. It would appear to have been thought that the failure to provide the Indian Army in the past with a scheme of mobilisation equal in scope to that which we are now engaged, upon Lord Kitchener's advice, in carrying into effect has, in some way or other, been due to the existence of "a system of dual control." We do not think that the system of Military Administration in India is correctly so described, except in so far as a system in which there are two important military authorities in close association with the Government of India, is dual in character. Their constitutional relation to each other, however, is not that of rival or even co-ordinate powers. As has been clearly demonstrated by His Excellency the Viceroy and the Honourable Sir. E. Elles, the Commander-in-Chief exercises the functions which appertain to his high office, in subordination to the Governor-General in Council, in whom is vested by Statute the supreme control of the Army. The Military Member, as explained in paragraph 11 of the Viceroy's Minute, possesses no independent military authority in respect of matters covered by those functions, but is merely the constitutional representative of the Government of India. Thus there is no more duality of control involved in the existence of these two offices than there is in the corresponding arrangements by which other members of the Viceroy's Council deal with the various branches of the civil administration, conducted primarily by the Local Governments.

3. However that may be, it is not to the existence of any system of military administration, single or composite, that the inability of the Government of India to provide for mobilisation on a large scale has hitherto been due. It has been due to the absence of funds and to that cause alone. Large schemes of mobilisation have been the dream of every Commander-in-Chief and every Military Member in India for years; but the opportunity and the means have not hitherto been forthcoming. We should regard it as a serious error if the plans which, in the present flourishing state of our finances we are now able to put forward and to carry through, were to be associated in any direct manner with the constitutional machinery of Government. They are independent of it, and they have, as a matter of fact, been initiated under the system which is now impugned.

4. Similarly, the points of view from which you have invited us to regard the present system, important as they are, do not seem to us to be the most important. You have asked us to advise whether under it the maximum of efficiency is obtained, and the fullest provision against wasteful expenditure in time of peace and against complication in case of

mobilisation is realised. We are far from saying that the theoretical maximum of military efficiency has been obtained under the present or could be obtained under any system that might be substituted for it. The science of military equipment and organisation is perpetually changing. We are in a far better position now than we were five years ago, and should our finances continue to prosper, we shall be in a much better position five years hence than we are now; and this would probably be true, whatever the system. But of the present system we may say that the maximum rate of advance which we can possibly hope for in practice is, in our opinion, fully capable of being realised under it, and that we do not believe it would be more speedily or effectively realised under any other. As regards wasteful expenditure we can speak in even more confident tones. Whatever charges may be brought against the existing system, we do not think that that of extravagance can possibly be sustained. On the contrary, it is one of the sources of complaint that the financial control is sometimes thought to be over-rigid and exacting. As we shall argue presently one of its principal advantages is that the Government of India are thereby enabled to keep a reasonably close and effective control over military expenditure, while under the system which the Commander-in-Chief has invited us to substitute for it we should have no such guarantee, and an era of imperfectly co-ordinated expenditure and military irresponsibility might be expected to set in. As regards the remaining point which you have raised, viz., whether the present system is compatible with the smooth progress of mobilisation, we think that this must depend mainly upon the relations between Army Headquarters and the Government of India in the Military Department. If a spirit of harmony and mutual co-operation prevails between these departments and their respective heads, we can see no reason why complications should occur. In any case we should hesitate to say that they will not occur under a system of single and undivided control.

5. Having thus dealt with the subjects to which you have specially directed our attention, we now proceed to state our own views upon the case as submitted to us by His Excellency the Commander-in-Chief. These views are the result not merely of a careful study of the papers, but of a discussion in Council in which we have had the advantage of listening to the oral opinions and reasoning of our two military advisers. In general we may say that we are fully convinced by the arguments contained in the Minutes of the Viceroy and the Military Member, that we endorse those arguments, and that where we have not specifically re-stated them in this despatch we desire it to be understood that they have our cordial and entire acceptance.

6. The Honourable Sir Edmond Elles has protested in the strongest manner in his Minute against the charges that have been levelled by Lord Kitchener against the Military Department, and he has further replied to the particular points that were named by the latter in support of his contentions. We do not think that so large a question should be decided by questions so small as some of these appear to us to be, or that a hardworking and capable organisation would necessarily stand condemned even if these relatively trivial points were established against it. We are, however, fully satisfied with the explanation that has been offered by our Honourable Military Colleague in regard to them, and we do not think it necessary further to pursue that branch of the subject.

7. We are more concerned with the direct charges that have been brought in paragraphs 7, 8, and 9 of the Commander-in-Chief's Minute against the working of the present system. Upon this question we are qualified to hold and we do hold strong views. There are some among us who have had occasion to study the relations of the Military Department and Army Headquarters for years, and we desire to dissociate ourselves altogether from the charges that these two offices have been trained to unfortunate jealousy and antagonism, that it is of comparatively small importance to anyone in the Military Department to press forward the proposals that emanate from Army Headquarters, that it is impossible to

formulate or carry out any settled or continuous policy for the improvement of the Army, or that the progress of work is retarded by vexatious and unnecessary criticism and by enormous delay. In the first place, we do not think that these charges find any support in the evidence adduced in their favour by His Excellency the Commander-in-Chief; and, secondly, we find no corroboration for them, but, on the contrary, quite the reverse, in our own experience. We have known the two Military Offices co-exist and co-operate with the utmost tranquility and good temper, and we see no reason why they should not do so again. We have seen proposals emanating from Army Headquarters, and notably from the present Commander-in-Chief, advanced by the Military Department with a ready good-will, with a curtailment of criticism, and with an absence of anything approaching obstruction or delay, that have impressed us with the absolute good faith and public spirit of that Department, and with the practical efficiency of our organisation. There is not in our view any necessary or inherent want of co-ordination between the different parts of the military machine, and we think that a most erroneous impression would be given to His Majesty's Government of an organisation which we believe will compare favourably in working capacity with that of any European country, if we allowed to pass unchallenged the statements that have now been made with regard to it, and for which we are unable to find any serious foundation.

8. We are in complete agreement with the argument employed by His Excellency the Viceroy that in recent events can be found the most effective and unanswerable refutation of these charges; and we desire more particularly to refer to the attitude of the Military Department and of the Government of India in general towards the scheme for the redistribution of the Army which was put forward by the Commander-in-Chief on the 6th November, 1903. That scheme, though incomplete, inasmuch as it failed to take into account the consequential increase of equipment and supplies, the requirements of the army departments, and the necessary extension of our factories, was dealt with personally at once by our Honourable Military Colleague and by the Viceroy, and was brought before Council after a minute examination at the beginning of February, 1904. It was referred to Local Governments for opinion in the following month and was communicated to His Majesty's Government by our despatch, No. 47, dated 31st March, 1904. The Commander-in-Chief's second memorandum was only received in February, 1904. Foreseeing, however, the possible necessity of having to demand at short notice the equipment and stores necessary to mobilise the revised Field Army, we caused the whole of the indents which had been lodged at the India Office by our despatch, No. 178, dated 25th September, 1902, to be revised and sent home in anticipation of the acceptance of the scheme by His Majesty's Government. Our foresight was amply justified, for on occasion suddenly arising we were thus enabled to order by telegram on 31st July no less than 74 lakhs' worth of stores. On receipt from the various Local Governments of their opinions on the Commander-in-Chief's scheme it was finally considered and accepted in Council, and dealt with in our despatch, No. 138, dated 29th September, 1904. We doubt if a proposal raising such large and complicated issues, or requiring reference to so many quarters, has ever been pushed through the preliminary stages, or received the assent of the Government of India, in so short a time. As to the financing of the scheme we have not only accepted a total charge of 13 crores or over eight and a half millions sterling in the next five years, but we have already spent 179 lakhs this year, and have entered 366 lakhs on this account in our estimates for 1905-06, these two sums amounting together to £3,600,000. From these facts and figures, to which we might easily find a parallel in numerous other cases, it will, we think, be apparent how little foundation there is upon which to base charges of obstruction, indifference, or delay.

9. Turning from these subjects we pass to that which seems to us by far the most important aspect of the case submitted to us by Lord Kitchener. In paragraph 4 of his Minute he has stated his views of the constitutional working of the mechanism of the Indian Government in military affairs. We do not recognise in his description our own experience of the

facts, and we are particularly surprised to learn that it is the Military Member in India who is really omnipotent in military affairs. We doubt if this would be the opinion of any one among the many able men who have filled that position, and if we were to place before you the records of our Government during the past two years, we doubt if any evidence would be found in them to support such an assertion. Here, too, we are in entire accord with what has fallen from His Excellency the Viceroy. Not only does the Commander-in-Chief of the Indian Army exercise an absolutely unquestioned authority in those spheres of executive work and command which are his specific charge; but his influence in military administration, policy, and finance, is incomparably greater than that of any other member of the Government except its head, and is all-pervading in a sense of which the Military Member might sometimes find reason to complain, but at which we have never known him to cavil.

10. In its constitutional aspect we are accordingly as much in disagreement with the argument of the Commander-in-Chief as we have been in its more critical features. We regard his scheme as a proposal not so much to improve the efficiency of the Army, either in peace or war, as to revolutionise the Government of India, and to substitute for the control of the Army by the Governor-General in Council, which we regard as a fundamental principle of our constitution, control by a single individual, *i.e.*, the Commander-in-Chief himself. It is assuredly not from any distrust of the present incumbent of that exalted office that we regard such a prospect with alarm. On the contrary our attitude throughout the past two years towards his various proposals has shown conclusively that we esteem it an honour to be associated with such a Commander, and a privilege to assist him in the execution of his reforms. Our views are irrespective of the individual. They relate exclusively to the office which he holds, and to the functions of the Government of India; and we say deliberately that we should regard with positive dismay any change that would in any degree dethrone the Government of India from their constitutional control of the Indian Army, or set up a single Commander in their place. We doubt if a military command of such overwhelming authority would be tolerated in any country unused to dictatorship, and we think that in India it would be peculiarly dangerous. Should a doubt be expressed whether these are likely to be the consequences of the proposal now before us, we invite attention to the Viceroy's Minute, in which the point appears to us to have been conclusively established.

11. The question may be thus stated: Is it desirable that the Government of India should possess only a single and supreme Military Adviser controlling the entire military organisation, or is it desirable that they should continue as now to have a second expert opinion upon matters which, in the ordinary course of administration come before them for decision? We feel no hesitation in answering this question. We cannot too strongly or emphatically express our conviction that the Military Member is an essential element in the Government of India, and our reasons are the following:—As long as the Governor-General in Council continues to be responsible for the government of the Army, he requires expert advice in order to enable him to deal satisfactorily with the proposals that are submitted to him by the executive head of the Army. His Majesty's Government may be invited to consider the position that would be produced in England if a Commander-in-Chief of the British Army possessed a seat in the Cabinet, if he were the sole representative of the Army there, if he enjoyed the power and rank of the Secretary of State for War in addition, and if His Majesty's Ministers were called upon to accept or to reject his proposals with no independent or qualified opinion to assist them. And yet this is precisely the situation which we are asked to accept by Lord Kitchener in India. Such a scheme would, we believe, be regarded as [illegible]onstitutional and perilous in England, but it would be even more so here [illegible]g to the peculiar nature of the problems that come before our Govern[illegible] for solution. In our Indian constitution the Military Department [illegible]uired not merely to conduct the military business of Government, to

be the medium of correspondence between the Government of India and the Secretary of State, and to relieve the strain, which the Commander-in-Chief with his heavy duties would find intolerable, of managing the great spending departments, but it is necessitated for the following special purposes as well. It is our experience that successive Commanders-in-Chief enter upon their duties with very different ideas and originate very different proposals. What is approved by one is rejected by another. What is suggested by English or foreign experience is sometimes condemned by Indian knowledge. In these circumstances it is of extreme importance that the principles, the history, and the tradition of each case should be presented to the Members of Government before they are called upon to decide. The Indian Army is not an organisation with which it is wise to experimentalize or to tamper in haste; and we can recall many occasions in which we have been saved from serious error by the experience and knowledge of which the Military Department and the Military Member were not merely the depositories but the authorised exponents. This is especially the case in matters that have a not exclusively military bearing. Military and political considerations are so closely combined in the organisation and management of the Indian Army that we require to be very much on our guard not to decide many of the questions that come before us on military grounds alone.

12. But there is an aspect of this case which strikes us as even more grave. Under a system of military autocracy, such as is advocated by Lord Kitchener, the tendency would, in our opinion, be for the head of the military machine to become less and less in touch with the Civil Government; for even if the Commander-in-Chief were able to cope with his double duties (which seems to us impossible), he would certainly have no time for civil administration. He would be led insensibly to regard all military questions exclusively and not merely primarily from the military standpoint, and the principle that the Army exists for the country, and not the country for the Army, would tend to drop into the background. We conceive that in a country like India, where the Military and Civil Administrations are so closely interwoven, and where military counsels of perfection require so frequently to be subordinated to civil or political exigencies, this might develop into a source of considerable danger. In fact, we can imagine no part of the British Empire where a military despotism would be less desirable or more fraught with possibilities of mischief than here.

13. In another respect the presence of the Military Member seems to us to be indispensable, and his disappearance would greatly enhance the difficulties of the Civil Members of the Government. The Commander-in-Chief in his Minute has claimed the initiation of military proposals as the exclusive prerogative of his own office. This contention is not fully borne out by our experience. But in so far as it holds good, so is it important that expert criticism other than that of the authors of the schemes should be applied to them. When such proposals are submitted to the examination of the Finance Department, the latter under existing conditions have in the co-operation of the Military Department precisely the advice, independent but well-qualified, of which they stand in need. Deprived of this technical assistance their criticism of details would tend to be pointless and ill-informed. If the Commander-in-Chief regards the criticism to which military proposals are now subjected as unnecessary and vexatious, much greater would be the justification for such a charge under the alternative system which he has proposed. It is true that that system includes the appointment of a Financial Secretary to be nominated by the Finance Department, and the retention of a Military Secretary. But the former is to be debarred from technical criticism, while the latter would either be reduced to the discharge of ministerial functions or (as is more probable) would ostensibly exercise certain of the powers of the Military Member without any of his responsibility.

14. Finally we attach special importance to the considerations adduced by His Excellency the Viceroy in paragraph 14 of his Minute.

If we were to be deprived of the Military Department and the Military Member, not only would the Government of India as a whole, and the Finance Department in particular, lose the advantages that we have described, but we should obtain no substitute in their place. Such a position would, in our opinion, for the reasons stated by the Viceroy, be attended with very positive injury, and indeed with real danger to the public interest. Military proposals would come before us with the single and powerful imprimatur of the Commander-in-Chief. If there had been a division of opinion in earlier stages, this would in all probability have disappeared before the proposal was officially submitted. Subordinate military authorities would have been converted or their dissent would find no expression; and the Government of India would be confronted with fully developed schemes which they would be incompetent to scrutinise, and very often helpless to resist. Supposing that the Commander-in-Chief were to enforce his propositions with warnings and forebodings similar to those which Lord Kitchener has employed in his Minute, what would be the position of the Viceroy and his Council who essayed to withstand him? Where a recommendation from the head of the Army is not now accepted, at least this is only done upon competent advice, and after exhaustive examination by specially selected officers possessing professional knowledge. Under Lord Kitchener's scheme these guarantees for free and impartial discussion would have disappeared, expert criticism would already have been eliminated before the Government of India were approached, and the latter, ignorant of military matters, would be left to accept or reject military proposals in the dark.

15. For all the reasons which we have named we are unhesitatingly opposed to the destruction of a system which has worked well for nearly half a century, which has earned the approval of a succession of the most distinguished Military Commanders, and which we believe to be entirely reconcilable even with the altered conditions and the higher standards of the present day. Still more do we dissent from the creation in its place of an organisation to which no parallel exists, so far as we know, in any Army or any administration in the world, which would create a military despotism in surroundings where, in the absence of Parliamentary or public control, it would be fraught with the maximum of danger, and which would, in our opinion, lead to a disastrous break-down as soon as it was tested in practice.

16. It is not without a full sense of the responsibility resting upon us that we thus dissent from the advice of our eminent colleague. But we conceive that in a matter involving issues, not merely of a military, but of a financial, political, and administrative character, and profoundly affecting the constitution of the Government of India, it is our bounden duty to exercise and to express an independent judgment; while we are fortified in doing so by the knowledge that the views which we hold have also been entertained by every high authority, with scarcely an exception, who has seriously considered the matter.

17. His Excellency the Commander-in-Chief dissents from this despatch. His dissent is appended.

We have, &c.,

(Signed) CURZON.
„ KITCHENER.
„ E. R. ELLES.
„ A. T. ARUNDEL.
„ DENZIL IBBETSON.
„ H. ERLE RICHARDS.
„ J. P. HEWETT.
„ E. N. BAKER.

Enclosure 1 in No. 2.

Minute by His Excellency the Commander-in-Chief, dated the 1st January, 1905.

I have been called on to record my opinion as to the efficiency of the system under which the army in India is administered, with special reference to the division of authority between the Commander-in-Chief and the Military Member which is the distinctive feature of the system. If the military problem in India were only to safeguard the country against the States whose frontiers are now conterminous with her own, such as Persia, Afghanistan, China, Tibet and Siam, I should not have raised this very thorny question about which so much has already been written. Wars against those States could have but one result, although, even to meet such cases, change would be desirable. Greater issues are, however, now at stake.

2. This question is an Imperial and not merely an Indian one, except in so far as the maintenance of the solidarity of the Empire is incumbent alike on its each and every part. For these reasons I consider it essential that the system of our army administration in India and the co-ordination of the work of the army with the directing power at headquarters should now be discussed, and that changes to place it on a sounder basis should, if necessary, be introduced. I feel that it is my imperative duty to state my conviction that the present system is faulty, inefficient and incapable of the expansion necessary for a great war in which the armed might of the Empire would be engaged in a life and death struggle.

3. In dealing with this question, it will be necessary for me to write somewhat strongly, both as to the system and its results, which I regard as altogether incompatible with true readiness for war or with economical expenditure in peace. Therefore, in order to avoid any possible misconception, I would ask that my remarks and criticisms may be clearly understood to refer to the system only and not to the individual officers whose duty it is, in present circumstances, to carry it out.

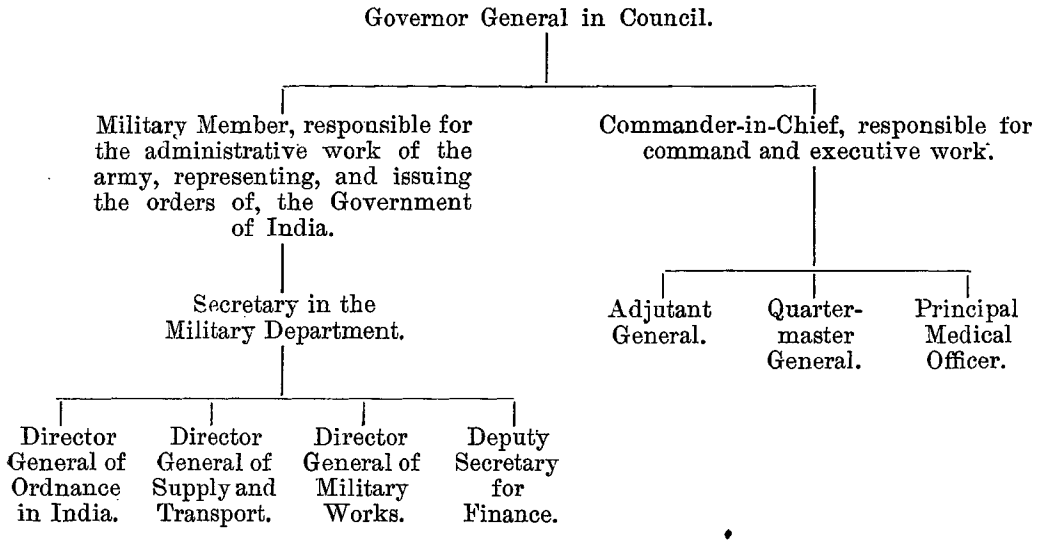
Description of the present system.

4. The existing system of army administration in India has not been deliberately adopted as that which is best calculated to produce an efficient army under modern conditions, but is the unforeseen result of a sequence of changes adopted for other reasons. Its leading feature is that, although the Commander-in-Chief has always been a member of the Government of India, a second and independent authority has been introduced, in the form of the Military Department, to deal with all military matters. The Government of India have entrusted to this Department the communication of their orders to the Commander-in-Chief and the responsibility for the regulations and orders issued to the army; and its head has been given a position in Council co-equal with that of the Commander-in-Chief. The Military Member of Council, wielding this power and being responsible for the "administration" of the army, is, therefore, really omnipotent in military matters. On the other hand, the Commander-in-Chief, as the "executive" head of the army, commands the troops and is nominally responsible to Government for their distribution, discipline, training and efficiency—subject always to the limitation that he cannot issue orders for the movement of troops or introduce any but trifling improvements in

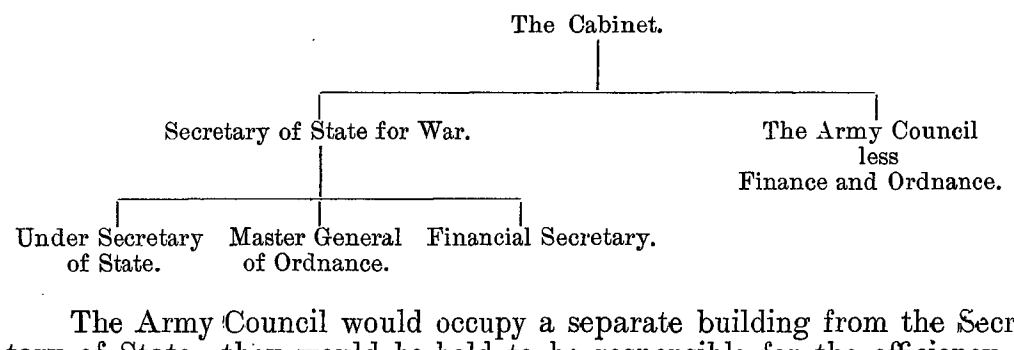
any of these matters without the previous sanction of the Military Member, which sanction is communicated in the name of—but not necessarily after reference to—the Governor-General in Council. The Military Member, as representing the Government of India, has power to interfere with the decisions of the Commander-in-Chief or prevent his wishes being carried out, even in questions of discipline and training. In every branch of army administration, policy, or preparation for war, the approval of the Military Member has to be obtained before any action can be taken. Thus, we have a system of dual control in the army, in which, although the Commander-in-Chief is responsible to Government for the initiation of measures for improvement and reform, all such have to be referred to the Military Department, to be sanctioned or rejected as may seem best to them. It is true that a safety-valve is provided in case the Commander-in-Chief and Military Member disagree. The point at issue can then, with the Viceroy's approval, be submitted to Council for decision before orders are promulgated; but this course naturally entails a considerable amount of extra work and expenditure of time, and, whilst always being open to objection, is too cumbrous to be used except in cases of great importance.

5. The Secretary of State draws attention to the fact that a system of dual control in army matters existed at Home until its manifest failure in connection with the South African War led to its being swept away. The analogy would have been closer if he had referred to the time when, in England, the War Office and Horse Guards were separate offices. This evil was abolished by Mr. Cardwell more than thirty years ago; but although reams of paper have been covered on the subject, a very similar system has been maintained unchanged in India ever since the mutiny. The fact is our Indian military administration has been framed mainly to meet peace requirements, and the consideration that an army exists for war has been overlooked. Here, as in England, it is owing to the defects in the higher administration of the army that essentials have been disregarded and military progress and efficiency have not kept pace with the times. The present distribution of the army and its preparation for war, which are so manifestly defective, and which are now about to be altered by a comprehensive and costly scheme of re-organisation and re-distribution, would never have been allowed to take root and grow to such dangerous imperfection had not this crippling system of administration obscured the essential features of real military efficiency. Peace routine has overshadowed preparation for war, and unimportant details, together with the multiplication of criticisms and discussions on side issues, have absorbed the time and energies of the higher officials, whilst real requirements have been neglected. In war, the present system must break down; and, unless it is deliberately intended to court disaster, divided counsels, divided authority and divided responsibility must be abolished. A confusion of ideas regarding "executive" and "administrative" functions has, I think, been responsible in a large measure for this condition of affairs. These terms are often used in India to differentiate between the functions of the Commander-in-Chief and those of the Military Member in regard to military business. It has been assumed, apparently, that some clear line can be drawn between them, and that a fundamental difference exists. I have, however, never been able to find an authoritative pronouncement as to where the difference lies. I can understand the work in a department of Government being divided up, if necessary, under such heads as legal, financial, political, executive, &c.; but the administrative functions of any efficient department must include all such divisions of work. I believe it to be a fact that no authority on the theory of Government has ever attempted to separate administrative from executive functions, and they are certainly not so separated in any of the Civil Departments of the Government of India, nor, indeed, in those of any civilized Government of which I have any knowledge. It is, I think, forgotten that, in an army maintained for war, the true executive functions and responsibility of a Commander-in-Chief consist in the careful administration of its fighting power in all its branches and services.

6. The following diagram shows the existing system in India:—


Governor General in Council.
Military Member, responsible for the administrative work of the army, representing, and issuing the orders of, the Government of India.
Commander-in-Chief, responsible for command and executive work.
Secretary in the Military Department.
Adjutant General.
Quarter-master General.
Principal Medical Officer.
Director General of Ordnance in India.
Director General of Supply and Transport.
Director General of Military Works.
Deputy Secretary for Finance.

An analogous division of work applied to army administration in England as at present constituted would give us, without entering into details, the following general result:—


The Cabinet.
Secretary of State for War.
The Army Council less Finance and Ordnance.
Under Secretary of State.
Master General of Ordnance.
Financial Secretary.

The Army Council would occupy a separate building from the Secretary of State; they would be held to be responsible for the efficiency of the army for war; and their spokesman would be a member of the Cabinet, co-equal with the Secretary of State, but yet receiving the orders of the Government through the medium of the Secretary of State. I do not think that any one in England would consider this an ideal system of army administration; and yet it represents practically what exists here, where we are freed from the difficulties of Parliamentary control.

Defects in the present system.

7. One of the chief faults of the Indian system is the enormous delay and endless discussion which it involves. It is impossible to formulate or carry out any consistent military policy. No needed reform can be initiated, no useful measure can be adopted, without being subject to vexatious and, for the most part, unnecessary criticism—not merely as regards the financial effect of the proposal, but as to its desirability or necessity from the purely military point of view. The fault lies simply in the system, which has created two offices which have been trained to unfortunate jealousy and antagonism and which, therefore, duplicate work, and in the duplication destroy progress and defeat the true ends of military efficiency. The system is one of dual control and divided responsibility. It is a system of "want of trust," such as that which has recently been condemned and abolished in the army at Home.

8. I think the Secretary of State is fully justified in regarding defective administration as inherent in any such system; but in the case of the military administration in India the defects are much more than theoretical—they are so practical as seriously to impair military efficiency and economy. Every scheme and proposal for improvement or reform leads to endless references and cross references between the two offices,

and these have to be most carefully attended to; for, as all proposals emanate from Army Headquarters, it is of comparatively small importance to any one in the Military Department to press them forward, and if, by chance, some reference is left unanswered, a whole scheme may be hung up indefinitely. Moreover, owing to the separation of the offices, it is impossible for the Commander-in-Chief to know how his schemes are progressing or whether a hitch has occurred, much less its cause, unless he makes special enquiries. Thus the offices become paper-logged with more or less unnecessary verbiage, and I am not surprised that mistakes occasionally do occur; indeed, I am only astonished that they do not occur more often than is the case. The result of any such mistake may, however, be very serious. As an instance:—The answers to the request for the opinion of the Local Governments and the Home and Foreign Departments on my scheme for re-organisation and re-distribution were naturally a subject of the greatest anxiety in my office, more particularly as it had been predicted outside that they would not be satisfactory. When these replies came in, they were all found to be acceptable, and I mentioned my pleasure at this result to the Military Member in conversation at the time. The matter was no secret, and I believe every staff officer both at Army Headquarters and in the Military Department knew quite well that I was very pleased and had accepted at once the small alterations that had been suggested. Some time later I had to complain in Council about the delay that was taking place in proceeding with the scheme. I was then informed for the first time that the delay was caused by a reference from the Military Department, asking whether I agreed with the opinions of Local Governments, not having been answered. Had I not brought up in Council the question of delay, I should not have discovered the cause, and the progress of a most important scheme might thus have been postponed for an indefinite period. If the system admitted of the two offices working as one, under one chief, such a cause of delay could not have arisen, and the absence of a mere red-tape, official concurrence could not have caused considerable delay in such an important matter.

9. Under this system no settled or continuous policy for the improvement of the army can be followed. The Commander-in-Chief and the Military Member have naturally their own views on every military question, often widely divergent; and the best that can be hoped from this conflict of opinions is a compromise satisfactory to neither of them—incomplete and disjointed, and therefore unsatisfactory from the point of view of the army, the country and finance, and attained only after endless friction and delay. Not only are there these fundamental defects in the existing system, but the methods of conducting business are such that there is an almost complete absence of co-ordination between the different parts of the machine which leads to duplication of work, and results incommensurate with the expenditure incurred. To illustrate that such is the case I will refer to a recent example:—

My proposals regarding the preparation of the army for war aimed at making India self-contained and able to carry on hostilities for a year without recourse to English sources of supply, until the command of the sea had been established and reinforcements and stores could be safely brought into the country from other parts of the Empire. Amongst other items I asked that Field Parks might be provided containing six months' supplies of all ordnance stores, and that a reserve sufficient for another six months should also be kept in stock. The amount necessary for six months' consumption is a fixed quantity on a definite scale. Shortly afterwards the Director-General of Ordnance, on his own initiative, applied to Government for an increase in this scale. This was sanctioned without reference to me. On a similar application, sanction was given for the maintenance of a special war reserve of imported stores, in addition to the stores in the Field Parks, equal to one year's consumption. At the same time sanction was given to the maintenance of another reserve of imported stores which was never to fall below one year's peace consumption for the whole army, and which

at certain seasons would amount to one and three-quarter years' supply. None of these demands were referred to me for opinion before being sanctioned, although taken together they provide a reserve very much greater than what I had asked for.

At the same time my demand for the amount of ammunition which I considered necessary for safety met with so much opposition that I found myself obliged, in order to save further discussion and delay, to consent to the amount being fixed at about three-quarters of what I considered necessary, while placing on record my adherence to my former opinion as to what was the lowest safe minimum, and my intention to press for an increase as soon as the lower amount had been provided. Thus, while the Commander-in-Chief cannot get the ammunition he considers necessary, he is presented instead with a quantity of ordnance stores which he has not asked for.

This appears to me to be a very apposite example of the practical working of the present system, and of the want of co-ordination between the different parts of the machinery; and I consider that the danger of such occurrences in time of war fully justifies a change of system.

10. Another defect is that the army can only with difficulty be brought to a state of efficient training, and even preparatory training for war is interfered with. For example:—I enquired whether our native troops could build the hut-barracks they live in. I was informed that they used to be taught, but the practice had been discontinued some years back, because the soldiers did not like it and because it interfered with other training. On further enquiry it appeared that the troops used to be employed on building their lines—not for practice but as a fatigue—and that the value of this training was not in any way considered when the orders stopping the practice were issued. I wished to reintroduce this training; but it was opposed in the Military Department on the grounds that it would interfere with the military training and efficiency of the troops, although the responsibility for such matters rests on the Commander-in-Chief.

11. In exercising the power of issuing regulations which is delegated to them, the Military Department have been unnecessarily diffuse. The mass of regulations, entering into every detail of the service, ties the Commander-in-Chief's hands, and hampers the initiative of all officers in peace, thus destroying their power of accepting responsibility in war. Principles for the government of the army must, no doubt, be laid down by the Government of India and the Secretary of State; but I consider that the executive head of the army should be trusted to see that these principles are given effect to by Army Orders, which can be modified by him as may be required.

12. Although the Commander-in-Chief is supposed to be the executive head of the army, the services on which the army depends for its subsistence, equipment, armament and movement are not under his control, but are separately administered by the Military Member of Council. It cannot be maintained for a moment that an army divorced from these services can exist as an effective fighting machine; and in my opinion this removal from the military head of the army of the responsibility for the supply to the troops of transport, remounts, food, clothing, armaments, ammunition, and other munitions of war constitutes a standing menace to efficiency and a consequent danger to the army and the country. No commander in the field can be expected to obtain decisive results unless he is perfectly sure that he can rely on these services; and it is impossible for a commander to administer them with efficiency and economy in war, unless they have been trained and administered under him in peace.

Reasons for change.

13. I have attempted in the above remarks to describe the existing system of administration and point out some of its defects. Surely, if what I have stated is correct,—and every word I have written has been examined, and is vouched for and agreed in, by all my senior staff officers,—

a case for reform has been demonstrated and the time for action has arrived; unless, indeed, like the natives of the country we live in, we are satisfied with the fatalist formula "whatever is, is best." No one dislikes change more than I do; but if necessary, I do not fear it. I would certainly not continue a rotten system because I was afraid to stretch out my hand and take a sound one.

India is no longer in her former fortunate position of comparative isolation, in which she had merely to guard against possible rebellion within her borders and protect her frontiers from the tribesmen and adjoining Native States. Slowly but surely the deserts of Central Asia, which were once believed to be an impenetrable barrier, have been crossed by a great European Power. They are now spanned by railways which have only one possible significance; and we have every indication that our northern neighbour is pushing forward her preparations for the contest in which we shall have to fight for existence. War will have to be waged under the Indian administration as it then exists. We cannot initiate changes at the last moment; and it must be remembered that we shall not merely have the army in India to deal with. The resources of the Empire will be freely placed at our disposal, and we shall have to account to the Empire for the use we make of them. Are we, then, really sure that with our present system we shall be able to discharge the heavy obligation which will devolve upon us? If I thought it possible—if I thought that by some minor modifications we could secure this object—I would gladly say so. But I am convinced that such is not the case; and I, therefore, urge that we make use of such breathing-time as may be before us, not only in re-organising and preparing our army for war as I have already recommended, but also in remodelling the machinery for administering it, so that we can make the best plans of operation and be able to carry them out smoothly and effectively when the time for action comes.

Answers to arguments against change.

14. Before making definite proposals for reform, I should like to refer to the arguments used in the voluminous discussions which have taken place during the last quarter of a century by those who have defended the existing methods. Presumably they have urged everything which could strengthen their case.

15. One of their main arguments is that however anomalous the present state of affairs may be, yet the results have been satisfactory, and the army is thoroughly efficient and has not hitherto failed to carry out successfully every task it has been called on to perform.

The Secretary of State specially warns us against this argument, and rightly points out that the Indian system has never yet been tested in a contest with a country even approximately approaching our own in strength. In England, a similar system of dual control existed, and, in spite of frequent indications of defects, the old methods were allowed to remain in force. Small expeditions against savages or semi-civilized States were, from time to time, brought to a successful conclusion; but although, on such occasions, the machinery was sometimes ominously strained, the system continued until large forces were set in motion during the South African War, when it broke down completely and radical reform was found to be essential. There is clearly a close analogy in this to our own circumstances. It is fortunate that it has not been necessary to put the whole of our resources to the test of war; but, wherever the test has been applied, and whenever even moderately large operations have been undertaken, defects have at once become apparent. The delays and confusion—followed by most lavish expenditure—which occurred during the last Afghan War need not be recapitulated. The transport arrangements broke down completely, and methods were adopted which were only possible because the Afghan troops at that time were ill-armed and worse disciplined. Again, in 1885, when war with Russia appeared to be imminent and preparations

had to be made on a large scale, it was found that the departmental services were quite unprepared to meet the strain. Chaos prevailed; millions of money were wasted; and the state of unpreparedness was such that it had an important influence on the policy of the Government. When once again India had to place only about 50,000 men in the field during the disturbances on the North-West Frontier in 1897-98, the machine approached to breaking point.

It may be said that particular and unfortunate examples have been selected, and that other expeditions may be quoted to controvert the statements made. It is fully acknowledged that India has successfully conducted a large number of small expeditions during past years, and has despatched several forces across the seas with speed and efficiency. But none of them were of great magnitude, and the very methods adopted to gain success only illustrate the defects of the existing system. With an actual strength of about 228,000 men supposed to be on a war footing, it is an easy task to supply these small expeditions. By utilising all our available military resources, we have been able to place forces not exceeding one or two divisions in the field, and carry out operations without serious difficulty; but, whenever large forces are employed, defects at once appear, improvisation commences, and the system breaks down.

16. It has been argued that changes in army administration have been tried at Home and failed.

I do not think this argument needs much criticism. If the principle were accepted that, because others—in totally different circumstances—have made mistakes in introducing undesirable changes, we, therefore, should do nothing to improve, then stagnation must supervene. The mistakes of others should be a warning and caution to us not to follow methods which have led them into error, but they should not prevent us from moving at all, or induce us to permit a manifestly unsatisfactory system to continue for a day.

17. The fear has been expressed that the Commander-in-Chief would thus acquire too much power.

In earlier times, when there was a less-firmly established system of civil administration, it may have been necessary to have means of restricting the power of the Commander-in-Chief. But the conditions of those times no longer exist. The country is now organised and governed on a well-defined basis; and the army has its allotted position and duties, as in every other civilised State. The military element in India is no more prominent than other Departments of the administration. The Home Department, for instance, rules the whole of the police and magistracy of the country, as well as the Local Governments. Its potentialities for good or harm are great; yet it is not considered advisable to have a dual system to diminish the power or control the administration of the Member for Home affairs, and this system of " want of trust " is only applied to military matters which are thus treated differently from all other business of the country. All Members of Council are subject to the control of the Council as a body, of the Viceroy, and of the Secretary of State; and the military head of the army would be under the same control and his powers would be limited as theirs are.

18. Again, it has been said that if there were one military head of the army in India, the work imposed on him would be greater than one man could perform efficiently.

This argument is based on the assumption that the present system of having a Military Department relieves the Commander-in-Chief of a certain amount of work. This, however, is not the case. On the contrary, by the mass of correspondence, conflicting opinions, and duplication of work which result from the present methods of conducting business, his work is greatly and unnecessarily increased. The Commander-in-Chief is supplied with a headquarters staff of specially selected and technically trained officers,

capable of working out in detail, and giving effect to, the measures needed for the efficiency of the army. But this staff not only has to elaborate his schemes, but has to explain them to an independent department of Government which is not so completely equipped for dealing with such matters. This involves much labour and correspondence. Even then, the reason for some project is often imperfectly understood and the Commander-in-Chief's intentions are misinterpreted. Moreover, despatches are drafted and telegrams are frequently sent to the Secretary of State without any reference to the Commander-in-Chief. We all know how a small change in phraseology may convey a wrong impression, especially at a distance; and thus the Commander-in-Chief has needless anxiety lest his work may be put before the supreme authorities in a light that he did not intend.

I feel sure that the relief to the Commander-in-Chief and his staff would be great, both in actual work and in anxiety, if the present system of dual control were abolished and our military methods were systematised with proper co-ordination between the different parts.

19. Another argument is that if dual control were abolished and the whole of the army and its services were brought under one military head, we might be exposed to the danger of rash innovations or ill-considered proposals.

It has, however, never been explained why a single official at the head of the army should be more likely to embark on rash and ill-considered measures than the single head of any other great department of the State. The argument can only be justified on the assumption that military officers, however carefully selected, are incapable of rational and responsible action. Yet, if this be the position of the exponents of this theory, they at once proceed to stultify it by advocating the retention of one set of such officers to be a check on the tendencies of the other set. If one set is reliable and the other is not, the retention of the latter must be mischievous; if both are unreliable the system is worthless. All important measures and all questions involving expenditure beyond well-defined limits have to be sanctioned by the Viceroy and submitted to the Secretary of State, who is supplied with experienced officers on his Council. This is rightly held to be a sufficient safeguard against rash innovations or ill-considered proposals in other departments, and I cannot see why it should be considered insufficient only in the case of the War Department.

20. Again, it is urged that during the absence of the Commander-in-Chief on necessary tours of inspection, a military adviser should be at headquarters to advise the Viceroy on military matters.

I was at first considerably impressed with the force of this argument. The Commander-in-Chief must certainly visit and inspect the troops in all parts of India; but experience shows that while on this duty he is not out of touch with Army Headquarters, and that he need not take with him more than one Senior Staff Officer. The machinery remains working at headquarters, and advice and opinion on military matters can at once be given to the Viceroy on every subject. Furthermore, should the personal opinion of the Commander-in-Chief be required, it can be obtained by telegram with very little delay. The argument may have had some weight in the pre-railway period; but now-a-days any officer absent on inspection duty can return to headquarters, if summoned by telegram, so quickly that his absence cannot cause serious inconvenience. The Commander-in-Chief's tours of inspection are also arranged to correspond as nearly as possible with the periods when His Excellency the Viceroy leaves the seat of Government to learn the condition of the country by personal inspection. Moreover, in my proposal for an improved military administration, I shall indicate how we can create a system which will be sound in all its parts and not be dependent on one particular individual, however important he may be.

21. It has been supposed that the dual system acts as a safeguard to the revenues of the country, which might be at the mercy of a single Officer at the head of the army.

There seems to be an idea that the Military Member has very large financial powers, and that the Military Department exercise some peculiar functions of financial control which can only be maintained by continuing the present dual system. It is necessary, therefore, to explain what the existing position is. Ordinary annual military expenditure is strictly limited to the provisions entered in the sanctioned budget. As regards new expenditure, whether initial or recurring, the course which a proposal for any military reform of importance must follow before it can come into operation is briefly as follows:—The proposal emanates from the Commander-in-Chief, and is sent through the Controller of Military Accounts to the Military Department. There it is subjected to criticisms, not merely as regards its financial aspect, but as regards its military necessity, although it has already been closely scrutinised at the hand of experts on the subject. Ultimately it reaches the Military Member, who, if he agrees that the reform is desirable in itself, passes it to Finance Department. If accepted by that Department as a suitable subject for expenditure, the proposal is then submitted to the Viceroy. The next step, when all these authorities are agreed, is to address the Secretary of State; but if any one of them opposes it, the matter goes before the Council. If approved out here, a despatch is sent Home which is considered by the Secretary of State and his Council, after consultation with the War Office if necessary. And if sanction is eventually received and expenditure of any importance or of a recurring nature is involved, the proposal takes its place in the schedule of proposals kept up in the Military Department until the financial situation admits of its incorporation in the budget.

Now, there is nothing whatever in this procedure—either as regards ordinary or special military expenditure—which could not be maintained in principle, and no safeguard to efficiency or financial control which could not be secured, if there were one head of the army instead of two. In an amalgamated War Department, the best obtainable military opinion would be brought to bear on each proposal; and instead of having constant conflict of opinions, leading to patch-work and disjointed results, there would be a consistent military policy, framed and carried out with a definite end in view. The financial effect of each proposal for reform would, as now, be examined by the military Financial Secretary; the concurrence of the Finance Department, and the approval of the Viceroy and Council and Secretary of State would be obtained as is done at present; and, lastly, the different measures would be scheduled and collated with reference to their relative importance in regard to a definite military programme. There would be no danger of "rash innovations or ill-considered proposals" under such a system any more than there is at present, nor would there be any relaxation of the most rigid financial scrutiny and control; but, instead of there being two disjointed programmes of military policy, there would be one, and the duplication of work and delays which occur at present would disappear.

22. Another argument against change is that with two military advisers the Viceroy can form an independent opinion on military matters.

His Excellency the Viceroy must determine whether it is satisfactory to him to have to decide highly technical questions of military policy, military administration, or military discipline on which his two military advisers may give diametrically opposite opinions. But, in any case, there is the following objection to this system of divided counsels:—The views held by the Military Member and Commander-in-Chief respectively often become known, and frequently the army takes sides—either supporting the views of the Military Member or those of the Commander-in-Chief. Between the two, the Viceroy may decide in favour of the Military Member's contention, in which case a large portion of the army may feel that His Excellency has come to a wrong decision; or *vice versâ*, when those supporting the opposite view may feel aggrieved. I do not think a system which can lead to such results is at all satisfactory, especially in India. It brings

the Viceroy into the arena of discussion on contentious military subjects, and action may be attributed to him without any foundation on facts.

23. A further objection is that if only one officer were responsible for military affairs, the selection might sometimes fall on one who had little or no personal experience of India.

It is difficult to see why this objection should be regarded as fatal; for local experience is only one amongst many qualifications required for so high a post, and those whose duty it is to make the selection must weigh the whole of each candidate's qualifications before coming to a decision. In the case of the selection of a Viceroy, the choice is seldom or never influenced by this consideration of previous Indian experience. It is recognised that this can be—and is—supplied by his subordinates. Precisely the same reasoning is applicable to an officer without Indian experience appointed to be the head of the military administration.

The headquarters staff is so composed that half the officers serving on it must belong to the Indian army. One of the two senior staff officers must be from the Indian service. At present my senior staff officer—the Adjutant-General—belongs to the Indian army; and when a British officer fills the second place, his immediate Deputy must belong to the Indian service. It will thus be seen that unless a Commander-in-Chief wilfully disregards the Indian experience of his immediate assistants, he cannot make errors to the prejudice of the Indian army owing to a temporary lack of local experience; and if he were capable of thus disregarding available advice—which I cannot imagine in any Commander-in-Chief—he would manifestly be unfit for his position, for which he should never have been selected and from which he should be at once removed.

The theory that the power held by the Military Department of vetoing the Commander-in-Chief's action is necessary to meet such suppositious cases is not a sound one. In the first place the Military Member may be equally inexperienced—one of our best Military Members, General Sir H. Brackenbury, was so; the present Military Member also belongs to the British service, and, though he has experience of higher commands in India, he has never served in an Indian battalion. Again, the Military Department have no direct relations with the army; and, being a civil department, are out of touch with the troops. It is true that they keep records and opinions, which they quote from time to time; but these are generally antiquated, and therefore at variance with the views of Indian army officers serving with troops or advising the Commander-in-Chief on the headquarters staff. The Military Department do not—and cannot—bring to bear on the questions which come before them that enlightened, up-to-date experience of the practical soldier which is so essential a qualification for those to whom the all important duties of preparing our military forces for war are entrusted.

24. Another fallacy is that the Military Department preserves the continuity of military policy in India.

When one looks back into the past work of the army administration in India, it is difficult to trace any definite military policy that has been systematically pursued; but, on the contrary, it appears to me to be a mass of patch-work, entailing great expenditure, with, certainly, poor results. The only continuity of policy I can see, that has been maintained by the present military system and is inherent in it, is that of making it easy to stand still and extremely difficult to move forward—a condition which cannot be described as satisfactory. When my Re-distribution Scheme was under consideration, I said to the Council:—"You have a bad army." It was not to the splendid material in officers and men that I alluded, but to the results of a system, which, if left unchanged,—whatever our present efforts and expenditure to set matters right may be—will certainly cause another Commander-in-Chief to tell another Council in the future the same story.

25. Finally, it is stated that the Military Department provides a necessary means of communication on military matters between the Viceroy and the Commander-in-Chief, as well as with the Secretary of State.

This is certainly true; but it will be seen later, in my scheme for the formation of a combined War Department, that I propose to retain the Secretariat, which I consider to be an integral part of the ministerial system of war administration. In no other Department of the Government of India as at present constituted is it considered necessary to have a dual office for this purpose, and I cannot, therefore, see why such should be necessary in the War Department. The retention of the Secretariat is quite compatible with the changes I hope to see inaugurated, though some modification of its present functions will be necessary.

Proposals.

26. It is no light matter to introduce radical changes into a Department of the Government of India which has dealt for so many years with military affairs, and has been directed by so many able and distinguished officers; and it is not without deep thought and a full sense of my grave responsibility to Government and the army that I have approached the subject. About this time two years ago, I was officially asked to record my opinion on a question which involved the discussion of the whole system of army administration in India. When my memorandum reached the Viceroy, he wisely considered that my views as to the defects of the existing system and my proposals for reform would lose much of their weight if put forward at so early a stage in my term of office. He felt that it would be said, reasonably or unreasonably, that I was condemning the system mainly on theoretical grounds, and before I had had full time to observe its practical results. I realised the force of this argument and my paper was withdrawn. When His Excellency was about to proceed Home in April last, I gave him a revised minute on the same subject. In both these papers I advocated the abolition of dual control, although I recommended that this should be done in such a way as to involve the least possible dislocation of existing arrangements. I knew that, if once the principle of dual control were abandoned, the officers of the Military Department would give me loyal and ready assistance in evolving and establishing a reformed system of administration, which would fulfil all the requirements of the army in India, and would ensure its being ready to meet the strain which at any time may be placed on it. I am still of that opinion. I regard the abolition of dual control as imperative. But, whilst I press for the essentials, I am fully prepared to accept such modifications in matters of detail as may be found to be desirable. Thus, though my present proposals may appear at first sight to be more drastic than my original suggestions, they are in reality only more fully developed. They represent what I believe to be the natural and logical outcome of the abolition of dual control, and what my previous proposals would have led up to, though by a longer route.

27. If, then, the result of this discussion be the disappearance of dual control, the first point for consideration will be:—Who shall in future be the head of the army in India under the Viceroy—the Commander-in-Chief or the War Member of Council? The able minute written by Lord Lytton when he was Viceroy gives reasons for retaining the Commander-in-Chief; and I am convinced that those reasons are as strong to-day as they were then. The native army, and our British soldiers as well, do attach considerable importance to the office of Commander-in-Chief under which they unite in one brotherhood, and accord to it a loyalty and respect which would be adversely affected by a change. Which of the two present officials disappears and which remains is not a matter of great importance, since whoever becomes the head of army administration in India will, whatever he may be called, thereby become *de facto* Commander-in-Chief in India. If, however, this should be made a crucial point, I would prefer to see the Commander-in-Chief disappear rather than maintain the present system of dual control. In order to emphasise the continuity of both functions,

though united in one person, I would recommend that the full official title of the future head of the War Department in India should be "Commander-in-Chief and War Member of Council."

28. The substitution, for the present dual arrangement, of one officer to take charge of the military administration and to represent it on the Council will involve changes in the machinery, not only in the Military Department, but also at Army Headquarters where the staff organisation is defective.

The first necessity is to create a general staff, to consist of a department devoting its attention to military problems in the widest sense, and of a body of officers occupied in peace in the higher training of the army and prepared to direct operations in the field.

An Adjutant-General's Department is required, to be responsible for the production and up-keep of efficient units, and for all that relates to the discipline, care, and well-being of the soldier in peace and war.

A Quartermaster-General's Department is also needed for maintenance and movement, *i.e.*, for the custody and distribution of everything that an army requires, and to be responsible for the means of distribution, including all forms of transport by land and sea.

There should be a Director-General of Ordnance responsible for the purchase and manufacture of stores and munitions of war.

A Financial Secretary is also essential to deal with finance, with audit and accounts, and with contracts. He should be nominated by the Finance Department of the Government of India and be their representative in the War Department.

Lastly, a Secretary to Government is required, to perform Secretariat duties, to submit papers to His Excellency the Viceroy, to be the channel of communication with Local Governments, and to be responsible for all correspondence with the Secretary of State.

These six sections taken together would complete the military organisation, and should be known collectively as the War Department of the Government of India. The following diagram will show clearly the organisation which I advocate:—

Mobilisation and Intelligence	Chief of the General Staff.	Commander-in-Chief in *India and War* Member of Council.
Organisation and higher training ...		
Staff duties and staff training ...		
Creation and up-keep of efficient units	Adjutant General.	
Discipline		
Recruiting and Reserves		
Reliefs		
Supplies, Ordnance, Clothing, Transport — Distribution and reserves of	Quartermaster-General.	
Railways and Telegraphs		
Shipping and embarkations		
Movements		
Lands and Cantonments		
Supplies, Ordnance, Clothing, Transport, Remounts — Purchase or manufacture of	Director General of Ordnance.	
Fortifications and Military Works ...		
Finance	Financial Secretary.	
Accounts		
Contracts		
Secretariat Duties	Secretary to Government.	

29. The working of this organisation can best be illustrated by a concrete example. For instance:—In the case of such proposals as those for the

re-organisation and preparation of the army for war which are now being carried out, the Commander-in-Chief would indicate the lines on which reform should proceed and the General Staff would then prepare the schemes. The Financial Secretary would report fully on their cost, but refrain from any technical criticism. The Secretary to Government would obtain the opinions of Local Governments, where necessary. Next the schemes and the financial report would be laid before the Commander-in-Chief, and, when approved by him, would be submitted to His Excellency the Viceroy, to the Finance Department of Government, to the Council, and to the Secretary of State as is now done.

If the approval of the Council and of the Secretary of State were accorded and funds allotted, the Financial Secretary would intimate to the General Staff the amount of money available in the ensuing year. The Commander-in-Chief would lay down what parts of the scheme should first be taken in hand. The Financial Secretary would obtain all necessary sanctions from the Finance Department of Government and would frame the budget accordingly.

The Adjutant-General, the Quartermaster-General, and the Director-General of Ordnance—who would, of course, have been consulted throughout on matters connected with their departments—would then take action. The Adjutant-General would raise any new units. The Quartermaster-General would arrange for their equipment, transport, &c. The Director-General of Ordnance would make or purchase the sanctioned stores and build new barracks. All would, however, work strictly in accordance with the plan approved by the Commander-in-Chief, with which the other sections would have no power to tamper.

30. In building up a system of military administration, the most difficult and essential conditions to secure are efficient co-ordination of work between the different sections of the War Department and the closest possible connection between headquarters and the commands and staff of the army. The system must not only provide for this, but must do so without causing duplication of work, unnecessary writing or undue delay, while, at the same time, securing that control and responsibility shall never be separated, but shall always rest in the same hands.

On my arrival in India I was impressed, firstly, by the want of co-ordination of military business among my own staff; and, secondly, by a similar defect in those of the various commands. It was evident to me that the present dual control rendered such co-ordination throughout our entire military administration unobtainable; but to meet the latter difficulty as far as possible, I introduced reforms in the composition and working of staffs and commands. It will thus be recognised that I began at the bottom of the ladder of which I have now, by these proposals, reached the top. If the organisation I now recommend be adopted, the grooves of the lower machine now existing in the commands will fit into those of the central administration at Army Headquarters. Further, in order to deal with the defects in co-ordination of work in my own staff and to bring the Departments composing Army Headquarters into closer touch with each other, I published an Army Order, early in 1903, establishing an Advisory Council at Army Headquarters to consist of myself as President and the following officers as members, viz.:—

The Adjutant-General.
The Quartermaster-General.
The Military Secretary.
The Deputy Adjutant-General.
The Deputy Quartermaster-General.
The Head of the Intelligence Branch.
The Head of the Mobilisation Section.
The Assistant Adjutant-General for Musketry.

The Deputy Assistant Adjutant-General (for questions connected with Native Army recruiting).

The Deputy Assistant Quartermaster-General for Mobilisation was appointed Secretary.

The Principal Medical Officer, the Inspectors-General of Cavalry, Artillery and Volunteers, the Director of Military Education, and other heads of departments attended the Council when matters affecting the services for which they are responsible were under discussion.

This Council has now met once a week during the Simla season for two years, and, besides co-ordinating the work of the offices and departments at Army Headquarters, has discussed, and thoroughly threshed out, all important projects of reform and proposed improvements in the army. I am convinced that the results of these deliberations have been very beneficial. The Indian Army has been strongly represented, and its views have been ably put forward on many occasions (and this is another safeguard to its interests which in this way receive the fullest consideration). But it will be seen at a glance that the Council is incomplete. Finance is not represented; and, without a clear appreciation of the cost of any project, it is evident that it is difficult to form any opinion as to its practicability. Moreover, this Council only co-ordinated the work of my branch of the War Department; and when all our efforts and deliberations were completed on any question, the matter had then to go for final discussion and decision to the Military Department. If, however, my proposals for the re-organisation of our Military Administration are accepted, the Advisory Council for the whole War Department will naturally be composed as follows:—

The Commander-in-Chief	President.
The Chief of the General Staff	Members.
The Adjutant-General	
The Quartermaster-General	
The Director-General of Ordnance	
The Financial Secretary	

with the Secretary to Government, War Department, as *ex officio* Secretary to the Council.

Such a Council will bring together and completely co-ordinate the work of all sections of the War Department, and I am sure it will lead to a marked increase in the efficiency of the administration.

31. So far as regards peace. In a great war, if the Commander-in-Chief took the field in person in command of the army, he would be accompanied by the Chief of the General Staff and the major portion of that Department. Their duty in the field would be the collection of intelligence, the framing of plans of strategy and tactics, and the carrying out of the plans so formed. They would be relieved of the many harassing details which now occupy the attention of the staff in the field, and thus be able to devote themselves exclusively to their proper duties. A section of the General Staff would remain in India to deal with the organisation into higher formations of units arriving as reinforcements, &c.

The Adjutant-General would remain behind. His principal duty in war would be to keep the army in the field up to full strength, and he would deal more particularly with recruiting, with reserves, with the raising of new units and with their training. A portion of his department would accompany the Commander-in-Chief to deal with everything connected with the health, comfort, discipline and general well-being of the men except the distribution of supplies and stores. The main duty of this department in the field would be to remove or minimise all causes which lead to preventible wastage among the personnel of the troops. Its secondary duty would be to keep the Adjutant-General informed of everything likely to affect the demands on him for men to replace wastage.

In the case of the Quartermaster-General, matters are reversed. The bulk of the army will be in the field, and it is there that duties connected with maintenance and movement will be most important. The Quartermaster-General should, therefore, accompany the Commander-in-Chief. A portion of the department would remain in India to carry on the duties connected with the troops told off for internal defence and with those arriving from oversea as reinforcements.

The Director-General of Ordnance would remain in India, his duty being to keep the base depôts supplied with everything the army in the field can require.

The Financial Secretary would remain in India, but would send an officer of his department with the Commander-in-Chief as Financial Adviser and arrange for such establishments as may be necessary for the proper regulation and control of expenditure in the field.

The Secretary to Government would remain in India.

Thus, the heads of departments accompanying the Commander-in-Chief into the field would be:—

(1) The Chief of the General Staff.
(2) A representative of the Adjutant-General.
(3) The Quartermaster-General.
(4) A Financial Adviser.

Those remaining at headquarters would be:—

(1) A representative of the General Staff.
(2) The Adjutant-General.
(3) A representative of the Quartermaster-General.
(4) The Director-General of Ordnance.
(5) The Financial Secretary.
(6) The Secretary to Government.

Furthermore, it is evident that, when the Commander-in-Chief is in the field, unity of administration within India itself will require the appointment of an acting Commander-in-Chief, to command the troops remaining behind for internal defence, and to be the adviser of the Government of India on all matters connected with them, and with the arrangements for supplying men and stores to the army in the field. He should have a seat on the Council.

32. A War Department thus formed, with the work of its various sections properly co-ordinated on the one hand and differentiated on the other, and able to pass, without dislocation or even friction, from a state of peace to one of war, will be capable of any necessary expansion, and will be prepared to meet, without loss of efficiency, the strain of administering the large bodies of troops which will arrive, in case of necessity, to fight shoulder to shoulder with the Indian Army for the defence of the Empire.

Japan has shown us what can be done by thoroughly enlightened and up-to-date methods of army administration, whereby a young nation, which had set before itself the object of producing an army complete in every preparation for war which foresight and singleness of purpose could suggest, has attained striking success. The disastrous consequences to the Russian Empire of opposite methods give us the other side of the picture. Can we then hesitate any longer to break the chains of custom and the tolerance of admitted defects which are so strong in India, and shall we not reform, while yet we have time and opportunity, our ancient and defective system of army administration?

(Signed) KITCHENER,
General.

Enclosure 2 in No. 2.

Minute by the Honourable Major-General Sir E. R. Elles, K.C.B., K.C.I.E., dated 24th January, 1905.

Before attempting to reply to the charges brought by His Excellency the Commander-in-Chief against our present system of military administration in India, I wish to disclaim any idea of resisting innovation if a case for reform is made out. In my opinion change of system is unnecessary and it is rather a change in the working of the present system that is required. I have, I believe, the interests of the Indian Army too closely at heart to oppose any needful reform, and I should personally welcome any measures which would tend to bring the Government of India in the Military Department into close and intimate relations with Army Headquarters. Such relations seem to me to be entirely compatible with the present system; but this is only possible if the Commander-in-Chief is prepared freely and frankly to admit his subordination to the Governor-General in Council, who is the constitutional head of the Army. In his memorandum on the administration of the Army in India Lord Kitchener seems to imply that the Secretary of State, in his despatch, No. 153, dated 2nd December, 1904, regards the present system as defective and has, to some extent at all events, prejudged the case. I do not read the despatch so. I understand the Secretary of State believes that a *primâ facie* case for inquiry exists because of the views which he believes Lord Kitchener to hold in connection with the case for the reorganisation of the Supply and Transport Corps. These views have not been placed before him in any official communication, and I understand he reserves his opinion as to the merits of the case. The Secretary of State in his despatch, No. 153, dated 2nd December, 1904, makes certain general allegations which it will be convenient to reply to before examining the points raised in the memorandum put forward by His Excellency the Commander-in-Chief.

2. The Secretary of State remarks that the Reorganisation Scheme put forward by Lord Kitchener has shown that the Indian Army has not been fully equipped for mobilisation, and that full preparations have not been made for mobilising the four divisions which it is proposed to place in the field. The correctness of the statement may be at once admitted, but the responsibility for this condition of things lies neither with the Commander-in-Chief nor with the Military Department but with the Government of India as a whole, and with the Secretary of State himself.

Responsibility for field army not being fully equipped.

3. In 1896, on the initiative of the Military Member, the Government of India addressed the Secretary of State urging the equipment of certain forces, pointing out that until this was done the field army could not be considered ready for war. The Secretary of State replied by reducing the expenditure proposed as "having regard to the uncertainty of the financial position * * * * he did not feel justified in sanctioning the purchase of mules and camels to the full extent proposed, as this involved a permanent addition to military expenditure estimated at 22½ lakhs a year."

Government of India urge complete equipment of field army.

4. The Chitral Expedition of 1895 once more called attention to the fact that our great weakness lay in the absence of any transport organisation, and the Military Department recognised that (even had it then been possible, which was not the case), it was useless to attempt to equip and place in the field an army of more than four divisions until an organised transport service was provided for the first four divisions. Between 1896 and 1900 much was done to remedy this defect; the matter was considered first by Mr. Thorburn's and then by General Sanford's committees, the

Progress in transport organisation.

necessary legislation to legalise the registration and impressment in the Punjab was introduced, the sanctioned establishment of mules, camels and bullocks was increased and organised in corps and cadres to be expanded on mobilisation, reserves of transport drivers and artificers were started, additional officers were appointed to the transport branch, and a permanent registration staff was formed. Owing to financial considerations even these measures were carried through with the utmost difficulty and the cost of the recommendations of the Military Department was cut down from 46 to 23½ lakhs. For many years, from 1890 to 1900, between the loss due to exchange, famine, and costly expeditions the finances of the country were not in a position to bear the heavy expenditure entailed by a scheme of reorganisation of the nature of that recently put forward by Lord Kitchener. Annexure II. shows the amounts that Government were in a position to allot between 1894-95 and 1900-01 for special military expenditure. It will be seen that the average was less than 50 lakhs a year, or less than one-sixth of the sum we are now allotting.

Certain measures necessarily preceded increase of field army.

5. But there were other reasons which precluded our increasing our field army to any great extent even had we been able to face the cost of doing so. The amalgamation of the separate presidential departments of ordnance, commissariat and accounts; the abolition of the separate presidential armies, were important measures that must necessarily precede any such step, while the reconstitution and reorganisation of the Madras and Bombay regiments and of the Hindustani regiments of the Bengal Army, whereby the inferior material of which these corps were composed was replaced by men of better fighting classes, was a necessary preliminary to the inclusion of any of these regiments in the field army. The necessity, however, of increasing the field army up to eight divisions was discussed early in 1902, before Lord Kitchener came to India, but it was recognised that with a temporary Commander-in-Chief any reorganisation must await his arrival.

Reinforcements from home a necessary part of our mobilisation scheme.

6. Another consideration which prevented the Government of India from putting forward proposals for the increase of the field army was the necessity for obtaining from home the reinforcements requisite to bring the internal garrison of India up to the necessary strength, and to provide the drafts to replace the inevitable waste of war in the field army. The view held by the military authorities of that time at home was the adoption of a purely passive defence, and in despatch No. 131 of 1887 the Secretary of State laid down the condition that any scheme for mobilisation in India was not to be based on the expectation of receiving reinforcements from England. The Government of India, advised by the Commander-in-Chief, recognised that no passive defence was possible and that without reinforcements from home the field army could not be increased without leaving a dangerously weak British garrison in India. They therefore have persistently since 1886 advocated their view, but it was only last year that the War Office finally admitted that it would be necessary to despatch reinforcements to India in case of war. This has entirely changed the situation.

Measures of preparation urged by Military Department.

7. The Secretary of State's remark that "in the past the Indian Army has not been fully equipped for mobilisation" implies that the military authorities in India have not risen to a sense of their responsibilities in the matter of preparation for war. If this implication were justified, the Military Department would, in common with the Commander-in-Chief, be forced to share the blame. But its justice cannot for a moment be admitted. As I have pointed out above the financial condition of the country was such as to preclude the necessary funds being placed at the disposal of the Military Department. A perusal of Sir E. Collen's notes, dated 17th June, 1889, and 17th October, 1899, will show that the Military Member of Council was usually the moving

spirit and that he fully recognised and put forward the requirements of the army. It will suffice to enumerate the measures urged in despatch, No. 192, of 1899 :—

Re-armament of the native army.
Re-armament of the volunteers.
Introduction of lyddite shell for howitzers.
Increased scale of ammunition for coast defences.
Re-armament of horse artillery.
Provision of Maxim guns.
Cordite ammunition for Bombay defences.
Re-armament of British mountain batteries with the 10-pr. B.-L. gun.
Institution of a cordite factory.
Establishment of a central gun-carriage factory.
Indian army reserve of officers.
Revision of mobilisation arrangements for artillery.
Re-organisation of heavy batteries.
Addition of British officers to the Indian Army.
Re-organisation of the transport and increase of transport officers.
Increase of officers to the Supply Branch, Commissariat Department.
Creation of a reserve of transport drivers.
Creation of an Indian ambulance corps.

A portion only of these measures was sanctioned, but the Military Member returned to the charge in his notes of 19th and 28th January, 1900. The Government of India were only able to accept 6 out of the 17 measures considered necessary by Sir E. Collen and the Commander-in-Chief, with the result that the Military Member attached a strong minute of dissent to despatch, No. 33, dated 1st March, 1900, in which he urged that the whole of the measures he proposed should be carried out, and that further efforts should be made to improve the mobility, power and efficiency of the army. Notwithstanding all that he had effected no one recognised more clearly than Sir E. Collen all that remained to be done. This is amply proved by his note, dated 8th February, 1901, and by despatch, No. 52, dated 28th March, 1901. Since that date our preparations have never relaxed and the following further measures have been carried out :—

Government accept only a part of Military Department programme.

Addition of 192 British officers to the Indian Army.
Establishment of mounted infantry schools.
Formation of mule, camel and cart cadres.
Establishment of the rifle factory at Ishapore.
Completion of re-armament of the army.
Reorganisation of horse and field artillery.
Addition of howitzer batteries.
Provision of bandolier equipment.
Addition of more machine guns.
Provision of more ammunition for coast defences.

8. In reviewing our military position to-day it would be ungenerous to overlook how much has been done by men like Lord Roberts, Sir George Chesney, Sir George White, and Sir E. Collen, (*a*) and it is not too much to say that it is the persistent effort of years on the part of the able and distinguished officers above named that

Many measures of importance carried out in last 20 years.

(*a*) Sir H. Brackenbury was Member during a period of starvation of military expenditure due to exchange and famine and low finances.

has rendered possible Lord Kitchener's scheme which is now before the Government of India. That this scheme is but a step in the evolution of the Indian Army and can no more aspire to finality than those that have preceded it, the Commander-in-Chief will, I feel sure, be the first to admit. In paragraph 24 of his memorandum the Commander-in-Chief characterises the labours of his predecessors as a " mass of patchwork." It will, I think, be admitted that the measures enumerated in paragraphs 5 and 7 above and detailed at greater length in Annexure IV., are patchwork of an exceedingly valuable description.

System of military administration described.

9. It will now be necessary to examine in some detail the statements made in His Excellency the Commander-in-Chief's memorandum and this may perhaps be most conveniently done paragraph by paragraph.

Paragraph 4 purports to give the present system of army administration. The Military Member of Council is described as omnipotent, as interfering with the decisions of the Commander-in-Chief, and as thwarting the wishes of the Commander-in-Chief even in questions of discipline and training. This is said to be in effect a system of dual control.

In my opinion it misdescribes the position. In the first place, although the Commander-in-Chief has usually been a Member of Government his appointment to a seat on the Council has, at all events since 1793, always been permissive. Up till 1861 the military as well as the civil business of the country was not placed in charge of any particular Member of the Council but was dealt with by the Council as a whole. The appointment of a Military Member of Council appears to have been first proposed in the year 1833. In that year, on the expiry of the East India Company's Charter of 1813, a Bill was introduced into Parliament, the object of which was to deprive the Company of their commercial monopolies and to provide for the better government of the Company's territories in India. One of the points taken up in the Bill was the extension of the authority of the Governor-General over the three Presidencies, and the strengthening of his Council by the addition of three Members, one of whom was to be a military officer. The first Military Member appears to have been Lieutenant-Colonel Morrison, C.B., who was appointed in 1834. In 1786 the Military Department was created, and formed the channel for the issue of the orders of the Supreme Government to the executive heads of the army. The Military Board, which existed from 1785 to 1853, consisted of the Commander-in-Chief, the Adjutant-General, Quartermaster-General and other officers at Army Headquarters and was a Board of reference and inspection only. It reported defects and abuses to the Governor-General's Council.

No dual control but a division of responsibility.

Next as to the alleged duality of control. There seems to be considerable confusion of ideas here. There is no such thing as dual control in the Indian military system, nor is there any division of authority between the Commander-in-Chief and the Military Member. The Army in India has but one head—the Governor-General in Council, and the Military Member of Council is the representative of the Governor-General in Council in respect of all business which is not brought before the Council collectively. The Commander-in-Chief, on the other hand, commands the army according to rule and practice. The system is that of " divide et impera." The position is so admirably stated by the late Sir George Chesney that I cannot do better than quote the following extract:—

" By law every act done by the Military Member is an act of the Governor-General in Council. The extent to which he exercises his functions is entirely a matter for which he is responsible only to the Viceroy and his colleagues, including in that capacity the Commander-in-Chief as a Member of the Government, and the Commander-in-Chief on the other hand is head of a great department of the State, the greatest indeed and most important, but nevertheless only a department, and in that capacity he is subordinate to the Government, and therefore to any Member

of the Government who represents it and exercises its functions for the time being * * * * . This fact is sometimes lost sight of and there has been a good deal of loose writing at different times on the subject, as for example about the anomaly of a man of greater experience and military reputation who is always higher in military rank, being placed in a position of subordination to an officer of less military experience and of lower rank. But we have really nothing to do with military rank in conducting the business of a Civil Government. And as regards military experience, the Military Member in dealing with the military questions which come before him has to take other than military considerations only into account. It is not the man's own opinions nor his knowledge and experience which have to govern his judgment but the position which he occupies and the responsibilities which rest on him in virtue of his office. The truth is that there is hardly such a thing as a purely military question, at least of those which come up to the Government. Even if there be no expenditure involved, the matter has to be considered not absolutely, but relatively to other conditions which often only the Members of the Government are in a position to appraise at their proper value. * * * *"

"This view is perhaps not always shared by military men. A distinguished officer formerly in a high position at Army Head-Quarters once said to me that when a proposal had been put forward as necessary by the military authorities, the only thing the Government had to do was to pass it. Certainly the remark was made after dinner, but another able officer and in other respects of good judgment wrote to me to complain of a civilian member of Council being allowed a voice in military matters. When such views are held by able officers, one may understand that the Military Department is sometimes regarded from outside as obstructive.

"The Commander-in-Chief, as I said before, naturally presses his proposal from a military point of view, and very properly, for if he does not press it from the military side no one else is likely to do so. The Military Member of Council, on the other hand, has to consider the business of Government as a whole, and army expenditure in relation to the financial condition of Government, and to the general policy imposed on him by the Governor-General in Council. How this affects a man's judgment may be seen from more than one distinguished instance. Lord Napier of Magdala when he was Military Member of Council had to look at things from a very different point of view from that which he held when Commander-in-Chief. So also I may say of Sir Donald Stewart. We must remember then that in these matters it is not the man but the office which has to be considered. The Military Member might consider himself a more competent judge of military or of Indian matters than the Governor-General, and he has certainly greater experience in both; that does not absolve him from the necessity of deferring to the judgment of the latter even in cases where he considers his own opinion the better of the two. And in the same way if the relations between Army Head-Quarters and the Government as represented by the Military Department are to be maintained harmoniously under the proposed arrangement, it can only be by the authorities connected with the former recognizing their position of relative subordination; subordination compatible with deference to their opinions on the part of the Military Department, but nevertheless that the Military Department is the Government as far as they are concerned, and that its decisions must be loyally accepted."

The above, I think, clearly shows that the control and interference that the Commander-in-Chief resents is not that of the Military Member but of Government and that any attempt to withdraw the authority which the Governor-General in Council delegates to the Military Member to deal with the less important military business that comes before Government would necessarily result in a reversion to the system that formerly obtained of bringing all such proposals before Council collectively, if they are to receive the consideration that is necessary from other points of view than that of the authority who initiates and advocates them. I need scarcely remark that the volume and complexity of the military business that has to be dealt with, due to the double army and the necessary subordination to the Secretary of State for India and the War Office, renders such a course impossible. It is to be recollected that a large number of questions which are referred to Government for decision with the Commander-in-Chief's recommendation and support have never been seen by him personally. The mass of business dealt with at Army Headquarters is so great that this is inevitable. These proposals are put forward by His Excellency's Staff Officers working on his *delegated authority* and they are frequently accepted, modified, or rejected by the Military Member acting similarly on the *delegated authority* of the Viceroy.

The Commander-in-Chief remarks that even in matters of "discipline and training," his wishes are thwarted. I shall refer later to the instance regarding "training," but in regard to "discipline" I assume that the case

to which His Excellency refers is that of two young officers, who, after behaving in a scandalous manner, deserted. In this case the Commander-in-Chief recommended that they should be allowed to resign their commissions, while it was left to the Military Department to submit to the Viceroy that dismissal from the service was the only measure which adequately met the requirements of the case. At the suggestion of the Military Department further enquiry was ordered by the Viceroy, with the result that the Commander-in-Chief subsequently recommended this step and the Secretary of State confirmed it. In this case, as the orders of the Governor-General were necessary, the interference of the Military Department does not seem to have been uncalled for. A good many cases will be within the remembrance of His Excellency in which the Government of India have considered it necessary to interfere in cases of discipline.

Comparison of Indian with Japanese system of military administration.

10. In paragraph 5 the Commander-in-Chief remarks that our Indian military administration has been framed mainly to meet peace requirements, and His Excellency ascribes our present shortcomings to the defects inherent in the system of divided responsibility, which he criticises very unfavourably in paragraph 12. He there points out that the responsibility for the supply to the troops in peace of food, clothing, transport, ordnance stores, and remounts must rest with one man, viz., the Commander-in-Chief. In paragraphs 1 and 2 Lord Kitchener speaking under a sense of imperative duty gives an impressive warning that our present system is faulty, inefficient and dangerous, while in paragraph 32 His Excellency calls upon us to hesitate no longer to reform our ancient and defective system of army administration by following the example of the Japanese who have shown us what can be done by thoroughly enlightened and up-to-date methods of army administration.

These words call for most serious consideration, and we shall do well to examine the Japanese system which His Excellency rightly admires. First of all I may observe that in none of the principal European armies does the administration and control of the Army services rest with the Commander of the Army. As to Japan, I may with advantage quote Lieutenant-General Sir William Nicholson :—

> "*Japanese system of military administration.*—This system generally resembles that of the German Army. There are two principal administrative heads, working in conjunction with but independently of each other, and both report directly to the Emperor whose Advisory Council (*a*) includes the Minister of War and Marine, the Chief of the General Staff. * * * * One head is the Chief of the General Staff who is responsible for plans of military operations, intelligence, topography, questions of defence, manœuvres and the training of Staff officers, distribution of the army, mobilisation and movements of troops by land and sea. The other head is the War Minister who is a member of the Cabinet and responsible for what may be styled routine duties and departmental services. * * * * So far as can be judged by the results hitherto obtained, the Japanese system works very smoothly, efficiently and economically both in peace and war. We may be certain at any rate that it is the outcome of the most careful investigation of the relative merits of the various systems adopted by the European powers." * * * *

In the system above described if we substitute "Commander-in-Chief" for "Chief of the General Staff" and deprive the Commander-in-Chief of his seat in the Cabinet as an Extraordinary Member of Council, we have an *exact* parallel to that in force in India where the two principal administrative heads are the Commander-in-Chief and the Military Member of Council working in conjunction with, but independently of, each other and both directly responsible to the Viceroy. I am in agreement with His Excellency the Commander-in-Chief, and accept his recommendation that we should copy the Japanese system, which has proved so successful. In this connection I may invite attention to paragraph 141 *et seq.* of the Report of the Army Commission, 1879 (see Annexure I.), which recommended the exclusion of the Commander-in-Chief from the Council, and to the views of Lord Esher's Committee, who remarked in paragraph 18,

(*a*) The Advisory Council is a body resembling our Defence Committee in England.

Part I., Section II. of their report, that * * * * "attempts to combine the administrative and executive functions of the army have led to confusion, to reduplication of work, to expense, * * * * ."

With these views I am in entire agreement. It is undoubted that the dual functions which rest with the Commander-in-Chief as a Member of Council as well as commander of the army have in the past given rise to friction and will certainly do so again.

The above views are supported by Sir William Nicholson, who further states :—

"The system above resembles in some cases that in force in India where the two principal administrative heads are the Commander-in-Chief in India and the Military Member of Council working in conjunction with, but independently of, each other and both directly responsible to the Viceroy. The apportionment of functions differ in several important particulars."

Delay caused by criticism.

11. In paragraphs 7 and 8 the Commander-in-Chief animadverts on the delay occasioned by the criticism which every proposal for reform meets with at the hands of the Military Department. He considers such criticism to be vexatious and unnecessary, and that the system is based on "want of trust." His Excellency adds that as all proposals emanate from Army Headquarters, it is of small importance to the Military Department to press them forward, and he instances the delay which attended the case of the Redistribution Scheme last summer, in which the Military Department waited to bring that scheme before Council until they were informed unofficially of the extent to which the Commander-in-Chief was prepared to meet the objections raised to the scheme by Local Governments. I venture to say that matters of major importance are disposed of as quickly as in any country in the world. I would instance the extra allotments of $1\frac{1}{2}$ crores this year for stores and the case of ordering 24 batteries at the cost of a crore. These were settled in a few minutes in personal communication between the Commander-in-Chief, Sir E. Law, and myself subject to acceptance by the Viceroy.

With regard to the above I would again invite attention to the extract from Sir George Chesney's note, dated 16th September, 1889, which is given in paragraph 9. I maintain that effective criticism, not only from a financial point of view but from every aspect in which it affects other departments of the State, is not only not vexatious but necessary. Effective criticism must entail some delay, but although I have endeavoured to accelerate the disposal of business I admit that there is still room for improvement here and at the proper time I shall be prepared to put forward proposals with that object. Schemes are rarely put forward by Army Headquarters complete. The Finance Department and the Secretary of State rightly require the necessity for expenditure in each case to be made good, and all details to be furnished. The Commander-in-Chief does not like details, but unfortunately I am forced to go into them. But, as a matter of fact, military business at the present time is so rapidly disposed of that we always have on hand a large number of proposals for fresh expenditure passed and practically ready for action long before we can find the funds necessary to carry them out. There is little use in having a "consistent military policy" if we have not the funds wherewith to carry it out: and this has been the real trouble in the past.

We had been waiting for some years to redistribute the army and increase the field army; we awaited the man and the money. Lord Kitchener was fortunate beyond his predecessors in having come to India at a time when her finances were unusually prosperous; fifteen years ago his great scheme of reorganisation, which we are all anxious to carry out, would necessarily have met with a different reception. To show that criticism is necessary (if sometimes vexatious to the originators of the scheme), I would instance the case of—

Reserves on full pay to Native Army, 1901. (Cost reduced from 35 to 16 lakhs per annum.)

Re-armament of the cavalry with the Martini-Metford carbine negatived, 1893. (Cost, £36,000, avoided.)

Formation of native field batteries. Proposal withdrawn by Commander-in-Chief, 1903.

Addition of 28 British batteries to the establishment, involving a probable expenditure of at least 3 crores initial and 1 crore recurring. These are not now required. I proposed a maximum of 5 batteries.

Many proposals originate in Military Department.

His Excellency is, I think, mistaken in supposing that all proposals originate at Army Headquarters. A large number, perhaps considerably the larger number of the more important measures for the improvement and preparation of the army for war, have originated in the Military Department. I would instance—

Mobilisation scheme and creation of a field army.

Amalgamation of Presidential Armies and Departments.

Organisation of the transport service.

Institution of the various factories to render India self-contained and independent of England for the supply of war material.

Emergency Acts.

It will also be admitted, after what I have said in paragraph 7, that no one has been more persistent than Sir E. Collen in pressing forward, in season and out of season, necessary military reforms even to the extent of raising a loan for the purpose.

With reference to the particular instance cited by the Commander-in-Chief, I can accept no blame on behalf of the Military Department for the delay which occurred. The Military Department certainly understood that the Commander-in-Chief was generally prepared to modify his original scheme to meet the objections raised by Local Governments and thought this would be shortly communicated in the constitutional way. In order that the extent to which His Excellency was ready to agree should be placed on record in the usual manner before submission of the case to Council, the file was sent to Army Headquarters on 9th August, 1904. His Excellency was absent from Simla in the interior for about three weeks at this time and apparently by some oversight on the part of the Headquarters staff was not informed that the reference had been made, and the file containing Lord Kitchener's reply was accordingly not returned to the Military Department till the 16th September. Each reply from Local Governments had been sent to the Commander-in-Chief on receipt, and his views on each case might have been forwarded previously.

12. In paragraph 9, Lord Kitchener complains of the want of co-ordination between the different parts of the machinery of the present system and gives examples to illustrate his contention.

Mobilisation Committee formed to co-ordinate efforts of various departments.

I here wish to remark that Lord Dufferin first formed the Mobilisation Committee, of which the Commander-in-Chief is President, and the Military Member, Secretary, Military Department, and heads of departments both at Army Headquarters and under the Government of India, are members, with the express intention of co-ordinating the efforts of the several officials dealing with the preparation of the army for war. In the earlier days of its existence this body, either in whole or in part, constantly met to the great advantage of all concerned. The zeal and cordiality with which they worked is testified to by Lord Dufferin, in his Minute, dated 5th October, 1887 (Annexure III.). Since the Commander-in-Chief assumed office no

attempt has been made, so far as I am aware, to secure co-ordination of work either by assembling the Mobilisation Committee or by allowing heads of departments ready access to His Excellency. It is obvious that without co-ordination of effort, friction must ensue, but no attempt has been made to take the Military Department into the confidence of Army Headquarters or to enlist its interest in the proposals with which it would be called upon to deal. To illustrate my meaning :—When the Commander-in-Chief drew up his scheme for the redistribution and preparation of the army for war, I was left in complete ignorance of his intentions, although I venture to think it would have been of the very greatest advantage to the State, and would also have materially facilitated our subsequent treatment of the case had I been placed in possession of His Excellency's views, and thus in a position to consult heads of departments under Government. On the 6th January, 1904, I noted to His Excellency in regard to Lord Kitchener's expected scheme :—

"I would further raise the question of the Mobilization Committee, in which the Military Member and Secretary, Military Department, are included, considering these mobilisation questions.

The Commander-in-Chief replied :—

"The Honourable Member expresses the opinion that the question of redistribution would have been facilitated if I had dealt with it by means of the Mobilisation Committee. I think that in view to expediting military business it is essential that I as Commander-in-Chief should have full discretion as to the methods I employ. As head of the Military Department the Honourable Member must necessarily be in a position to give full expression to his views on every such question."

I have also verbally urged the meeting of Mobilisation Committee, but the Commander-in-Chief has throughout studiously ignored the Military Member, and refused to consult him. He now complains of want of co-ordination, for which he is solely responsible. The result of this want of co-ordination was that the scheme has had to be considerably modified, and especially is this the case where it touches the departments under Government. On more than one occasion I have also sought His Excellency the Commander-in-Chief's advice on matters connected with the departments under Government, but I have been met with the reply that His Excellency has no opinion to offer, as the officers of these departments are not serving under the Commander-in-Chief. His Excellency the Viceroy is aware of these facts. In these circumstances I am ready to admit co-ordination is impossible and friction more than probable, but the fault does not lie with the system, but in the way in which it is worked.

Commander-in-Chief accepts new scale for ordnance field parks.

With reference to the particular examples cited, Lord Kitchener states that, in his proposals for the preparation of the army in India for war, he asked that certain ordnance field parks should be maintained, and he goes on to say that shortly afterwards the Director-General of Ordnance, on his own initiative and without reference to him, applied to Government for an increase in the scale of these parks. It may be as well to point out here that, on the 17th July, 1903, the Military Department called on the Director-General of Ordnance for a report on the question of ordnance reserves to be maintained in this country, with a view to rendering India independent of England, having regard to the fact that communication by sea might be cut off for a period extending possibly to one year.

The Director-General of Ordnance's letter, alluded to by the Commander-in-Chief, was in answer to this communication, and was dated 4th February, 1904, whereas the Adjutant-General's letter forwarding the memorandum on the preparation for war is dated the 17th February, 1904. It is evident from this that the Commander-in-Chief, in putting forward his proposals for ordnance field parks, had not even consulted the Director-General of Ordnance, much less myself.

The Commander-in-Chief then says that this scale was sanctioned without reference to him. The wording of our letter to the Director-

General of Ordnance runs as follows:—"The new scale is tentatively accepted and may be acted on, on the understanding that the extra requirements can be met from peace stocks and are *not* replaced until orders are passed on the general question of the preparation of the army for war." The last part of this sentence had special reference to the Commander-in-Chief's proposals, a copy of which was sent to the Director-General of Ordnance with our letter, the intention being that in considering the question of additional ordnance field parks this matter of scales should be finally settled in communication with the Commander-in-Chief. In June, 1904, the Director-General of Ordnance asked us to enter for consideration with the September schedule the amount required to complete the four existing ordnance field parks to the scale proposed, since these requirements could not be met from peace stocks without replacement. This amount was ordered to be entered for consideration with the September schedule. At this stage the file was seen by Army Headquarters, and was retained in the Adjutant-General's office from 22nd July, 1904, to 27th September, 1904, where no opinion was expressed, although the file had been sent to them for that purpose. In the meantime, on the 9th July, the Secretary of State telegraphed asking if it was desirable to proceed at once with the provision of a portion of the stores and transport now deficient. The result of this enquiry was the decision to spend a crore on mobilisation stores at once. Amongst other items in the list which the Honourable Member in this department invited the Commander-in-Chief to concur in ordering was "Imported stores for completing four ordnance field parks to *new scale*." Lord Kitchener agreed to these, and since the file on this very subject was at that time with the Adjutant-General, it was, perhaps, permissible to assume that he realised what the new scale was. This is the first specific sanction that we issued authorising a new scale, and, as shown above, it had the concurrence of the Commander-in-Chief.

Commander-in-Chief accepts twelve months' reserve for ordnance field parks.

As regards the maintenance of a war reserve in addition to the stores in the field parks, equal to one year's consumption, and also a reserve of imported stores which was never to fall below one year's peace consumption for the whole army and which at certain seasons would amount to $1\frac{3}{4}$ years' supply, the wording of our letter to the Director-General of Ordnance was "without accepting the details of the proposals or authorising any expenditure thereon, the Government of India concur generally in the proposals subject to the exceptions noted below. They accordingly agree to estimates being framed accordingly and to their being put forward for consideration with the general question of the preparation of the army for war, which is now engaging their attention." This did not constitute a sanction. In October, 1904, I asked the Commander-in-Chief to discuss the items which he wished to select for the reorganisation schedule, he asked me to discuss them with the Quartermaster-General in India who would represent his views. I did so, and General Sclater, I understood, accepted the one year's war reserves; further, when the Adjutant-General sent us (unofficially) his proposals for reorganisation expenditure in 1905-06, among these he included the same item. On receipt of these proposals we asked the Secretary of State for sanction to our obtaining this reserve, which is the only step we have taken in the matter, and this on a direct request from Army Headquarters. We have taken no steps towards sanctioning the other reserve mentioned.

Commander-in-Chief accepts reserve of small arm ammunition.

As regards the opposition which His Excellency the Commander-in-Chief says was offered to his proposals for increasing the reserves of small-arms ammunition, I pointed out that to add the amount proposed by Lord Kitchener would involve an expenditure of 55 lakhs, and asked whether he was prepared to take such a large sum for this item alone, as the schedule of items of proposed reorganisation expenditure was mounting up very rapidly. I gave it as my personal

opinion that 750 rounds per rifle for the field army would be sufficient, as against the 1,000 rounds per rifle recommended by Lord Kitchener.

The Adjutant-General, in noting on this file, said that we had little or no experience to guide us as to the amounts we should require, and, if only on financial grounds, he considered that my proposal should be accepted as an *ad interim* arrangement until the figures for the Russo-Japanese War became available. Lord Kitchener accepted this proposal on financial grounds, reserving to himself the right to re-open the question at the end of three years—when the increase I had suggested would be completed—should it then appear desirable. The Commander-in-Chief's argument is that he was obliged, in order to save further discussion and delay, to consent to the smaller amount. No delay was involved, as His Excellency had practically a free hand, and within the limits of the special reorganisation grant could have ordered as much ammunition as he wanted, even supposing that the general question had not been settled. Discussion on such a question, where large expenditure is concerned, seems very necessary to obviate extravagance, and I had certainly not implied that I was not prepared to concur should Lord Kitchener decide to adhere to his original proposals. In despatch No. 160, of 10th November, 1904, I especially safeguarded the Commander-in-Chief's provisional consent by stating:—"On financial grounds His Excellency the Commander-in-Chief has expressed his readiness to accept, for the present, this modification of his proposals." I fail to see what Lord Kitchener takes exception to.

Training of native troops in hutting.

13. In paragraph 10 of his note the Commander-in-Chief alleges that even preparatory training for war is interfered with by the Military Department, and he instances the case, previously referred to in paragraph 4 of his note, regarding the training of native troops to build their own lines.

The proposal in question involved first a reversion to the system under which native troops gave the labour required to build their own lines, a system that was deliberately abolished with the approval of the Secretary of State only two years before on the advice of the late Sir P. Palmer, whose knowledge of the Native Army was probably unequalled, and of other senior Indian officers of experience. Secondly, it involved the teaching of the trades of blacksmiths, carpenters and masons to such men as high caste Rajputs, Dogras, and Brahmins. It was argued in the Military Department that the proposal was unnecessary, distasteful to the men as imposing on them a duty not shared by their British comrades, and inexpedient as involving a reversal of the policy which had been recently adopted after full consideration. The proposal was held to be unnecessary, because 97 per cent. of the Native Army, being recruited from the agricultural class, build their own village houses, and are quite competent to build the rough shelters they are called upon to erect on service. Furthermore, no reasonable amount of training will make an efficient blacksmith or carpenter of a man who does not belong to these trades by caste. Instruction in laying out hut barracks and in the building of walls and roofs for native officers and non-commissioned officers who would be called upon to supervise such work on active service, might perhaps be necessary and means for effecting this were proposed, but little training of any value was to be anticipated from making the men knead and carry mud, a task which interferes with their military training and is highly unpopular with the men, who although perfectly willing to do it on service, resent being put to cooly labour in time of peace. The case was submitted to the Viceroy and the action fully endorsed by him.

Army Regulations cannot be confined to principles.

14. In paragraph 11 the Commander-in-Chief charges the Government of India with having issued too many regulations which tie the hands of the Commander-in-Chief and destroy initiative on the part of all officers. If to this charge we must plead guilty, I must reply that His Excellency will find it equally difficult

to avoid a similar plea in regard to those books for which Army Headquarters were responsible—Volumes II., VII., X., XII., and Regulations, Royal Artillery in India. However, on the initiative of the Military Department, all these regulations have been revised and cut down to one-fifth of what they were. They still contain more than is essential, but not much, and they will decrease as the conditions of service in the three commands are assimilated. Even at the risk of being charged with a "want of trust" I am afraid I must say that our experience of the way in which the spirit of the regulations has at times been interpreted by Army Headquarters is not such as would justify my recommending to Government the acceptance of His Excellency's proposal to restrict Army Regulations to principles which should be interpreted by him in Army Orders as occasion might demand. The financial and other effects of such a proposal would be somewhat startling and this proposal, if I have rightly understood it, may be taken as a good example of the necessity for looking at a question from other points of view than the "purely military" one.

Paragraph 12 I have already dealt with; paragraph 13 requires no detailed notice.

15. Paragraphs 14 to 25 of the Commander-in-Chief's memorandum deal with the arguments that have been used in the past against a change of present system.

System sound but field army too small.

In the first of these (paragraph 15) the Commander-in-Chief rightly warns us that we should not delude ourselves with the belief that our system is sound because we have carried out small campaigns successfully. This is quite true, but the instances His Excellency quotes seem to me to point to the necessity for increasing and organising our forces that are to take the field rather than for any radical upheaval of our military system. The reason why the military machine has more than once been "strained to breaking point" is that it was too small, mainly owing to financial considerations in the past, and not sufficiently powerful for the work it was called upon to do, not that it was ill-designed or badly made. Whatever war reserves we may keep up under the new reorganisation scheme will be similarly depleted to meet Imperial necessities of the class with which we had to deal in 1899 and 1900. So far as I can ascertain, in no important instances were our mobilisation reserves depleted for eighteen months. Orders for the immediate replacement of all mobilisation reserves were issued at once, and the Proceedings show that the Military Department could not be charged with such delay as took place. In regard to the supply of stores we are to a great extent at the mercy of the India Office, the War Office and the manufacturers. At that time, owing to the demand for South Africa we could not get stores. No change of system here would have affected the matter one way or the other.

Work of amalgamated War Department could not be controlled by one man.

16. In paragraphs 17 and 18 Lord Kitchener examines the validity of the argument that has been advanced in defence of the existing system, that with the abolition of the Military Member of Council the Commander-in-Chief would have too much power and too much work to do.

With the first of these objections I have little sympathy, but the second seems to me to be a very grave one. The Commander-in-Chief believes that not only could the work be controlled by one man, but that the work of the Staff at Army Headquarters would be reduced as they would not be forced "to explain their proposals to an independent department of Government," in other words, as Sir George Chesney has put it in the extract quoted in paragraph 9, that once a proposal is put forward by Army Headquarters "nothing remains but to pass it!" Now this would only be true of those proposals which are within the power of the Military Department to accept.

Any proposal which had to go to the Finance Department or to the Secretary of State for acceptance would have to be explained at as great or greater length, and would throw an intolerable burden on that Department. But it is my belief that no one man, however able, could properly deal with the mass of business that now demands or should demand the attention of the Commander-in-Chief and Military Member. His Excellency the Commander-in-Chief has probably no conception of the mass of work with which the Military Department is called upon to deal. In the past it was sufficient to fully tax the energies of men of exceptional capacity like Sir George Chesney, Sir Henry Brackenbury, and Sir Edwin Collen, and at the present day it is no less. A large proportion of references to Government come direct from Lieutenant-Generals of Commands as well as from the several departments (Military Accounts, Military Works, Ordnance, Supply and Transport, Remounts, Marine) of the Army. This represents not less than two-thirds of the total sum of business with which the Military Department is called upon to deal. If it be urged that much of this might be decentralised and placed in the hands of Lieutenant-Generals of Commands, I would reply that such is not the case unless it is accompanied by considerable financial decentralisation. The financial decentralisation, to be practical, must give to Lieutenant-Generals the power of sanctioning recurring expenditure which has always been strongly resisted, as I think rightly, by the Finance Department. In this connection I would invite attention to the notes recorded in Proceedings A, August, 1902, Nos. 566 and 567, in which we proposed to give to each command its local budget. These proposals, although supported by the late Sir Power Palmer, were not approved by Lord Kitchener, and therefore subsequently dropped.

The financial powers now possessed by Lieutenant-Generals of Commands and General Officers Commanding Divisions are already largely in excess of the powers enjoyed by similar officers at home (as far as we know) but do not extend to sanctions involving a permanent charge on the estimates of future years.

I repeat, therefore, my deliberate opinion that no Commander-in-Chief could properly control the work of Army Headquarters and of the Military Department. But, even if it be admitted that Lord Kitchener could so deal with it, we have got to look to His Excellency's successors who may be men of more ordinary capacity with small Indian experience. In such a case it would be found that the administration of the Army would increasingly devolve on subordinate Staff Officers and the want of co-ordination and unity of direction would again become apparent.

Comparison of Commander-in-Chief with Home Member inapt.

In paragraph 17 the Commander-in-Chief complains that military matters are treated differently to the other business of the country and that a system of "want of trust" is shown towards the Commander-in-Chief. He then proceeds to draw a comparison between himself as head of the Army and the Member in charge of the Home Department as controlling the Magistracy and Police.

In my opinion the comparison is fallacious for the following reasons. The Commander-in-Chief is not the head of a revenue-producing, but of the greatest spending, department of the State. It is not possible, therefore, to apply to the Army the system of provincial assignments under which the funds at the disposal of a Local Government vary directly with the revenue. The Commander-in-Chief has therefore no special incentive to economy of administration in the same sense that a Local Government has. This being so, the system under which military expenditure is controlled must necessarily differ somewhat from that applied to a Local Government, and it is unnecessary and incorrect, in my opinion, to stigmatise it as a system based on "want of trust." The necessity for the present system is explained in paragraph 142, Report of Army Commission,* 1879.

* Annexure, page 43.

Proposals of Local Governments are similarly daily criticised, modified and reduced by the Civil Secretariats and Finance Department. I may add that expenditure on the Police and Magistracy of the country is charged to provincial revenues, and provided it is such as can be properly incurred under the financial powers of the Local Government, the expenditure is not controlled.

Danger of adopting ill-considered proposals.

17. In paragraphs 19, 22, and 23 the Commander-in-Chief seeks to dispose of the objection that with one Military Adviser the Governor-General in Council would be more open than is the case at present to adopt rash innovations or ill-advised measures, a danger which would be accentuated in the case of a Commander-in-Chief with little Indian experience.

Here, again, in my opinion, a real danger exists. There are two or more sides to every question and the initiating authority is not always able to give them equal weight and consideration. In spite of what His Excellency says in paragraph 23, there is a point beyond which no Staff Officer can properly urge his view, even though his greater experience of India may make him certain that that view is justified. He is accordingly liable to be over-ruled by the Commander-in-Chief. In the Military Department this is not possible, for the Secretary is not the Staff Officer of the Member in charge but of the Viceroy, and is empowered by the India Councils Act to go direct to the Governor-General should he differ with the Military Member. In the case of a Member without Indian experience the privilege is frequently exercised. Having served for many years as a Staff Officer at Army Headquarters I may be forgiven if I say that cases are not unknown in which a Commander-in-Chief has wilfully disregarded the matured opinion of his Staff Officers, not always with the best results. The stronger the Commander-in-Chief the greater is this danger, and in practice I cannot conceive the possibility of removing the Commander-in-Chief from his appointment, which His Excellency suggests would be the proper course, for over-riding the opinions of his Staff Officers. The parallel drawn in paragraph 23 between a Commander-in-Chief and a Viceroy without Indian experience is fallacious and to me entirely unconvincing, for the requisite Indian experience in the case of the Viceroy is supplied by the Members of his Council, who are at all times able to record their dissent on any matters of importance, and such dissent is further laid before the Secretary of State in Council. A Staff Officer to the Commander-in-Chief has no such right, nor would it be proper for him to exercise it in any form. I do not attach great importance to the objection urged by Lord Kitchener in paragraph 22 that where the Commander-in-Chief and Military Member may differ, the army is liable to take sides. The existence of such differences of opinion is known but to a few Staff Officers, who, as far as my experience goes, keep their knowledge to themselves. By the Army at large the Government of India is credited with the responsibility for all decisions which are regarded as obnoxious, even though these decisions are those of the Commander-in-Chief.

Capacity of officers of Military Department not inferior to that of officers at Army Headquarters.

I am afraid I am not altogether able to follow the Commander-in-Chief when he states that the Military Department are unable to bring to bear on the questions with which it deals the enlightened and up-to-date experience which it is implied is possessed by the Army Headquarters Staff alone. If such be His Excellency's opinion I would ask him to say how he reconciles it with the following facts regarding the three senior officers in 1903 :—

(i.) The appointment of Sir E. Barrow, then Secretary, Military Department, to an important divisional command.

(ii.) The offer to Colonel DeBrath, then Joint Secretary, Military Department, of a new and most important Staff appointment at Army Headquarters.

(iii.) The appointment of Lieutenant-Colonel Mullaly, then Officiating Deputy-Secretary, Military Department, to be Deputy Quartermaster-General.

Comparisons are odious, but I believe I am correct in saying that there is but one officer of the Indian Army on the Army Headquarters Staff at the present time who has ever commanded a regiment, and it can hardly be said that officers like Colonels Grover, Watkis, Kenny, or Majors Moberly and Holloway are less up to date in their military knowledge than other officers at Army Headquarters. Besides, if such were the case, there is no possible reason why it should be so. The officers of the Military Department are now drawn from the best of the Indian Army to fill appointments of limited tenure like those at Army Headquarters, and we have applied the three year rule to them. It would, in my opinion, be greatly to the advantage of the State as well as of the Army that they should be treated as other Staff Officers are, being given every opportunity of gaining experience by being sent on field service and constantly kept in touch with troops. Their work is unusually hard and demands high ability, and they deserve the encouragement and consideration at the hands of the Commander-in-Chief which they have formerly received.

Want of a military adviser with Government during absence of Commander-in-Chief.

18. In paragraph 20 the Commander-in-Chief seeks to dispose of the objection that under the system he proposes the Viceroy would have no military adviser during the necessary absence of the Commander-in-Chief on tours of inspection.

I am unable to admit that the objection is disposed of. The Commander-in-Chief is appointed only for five years, and is or should certainly be, if he is really to know anything of his vast charge, absent from headquarters for some three or four months every year. Even admitting, which I hesitate to do, that the opinion of a senior staff officer can in matters of importance ever satisfactorily take the place of that of his Chief, it seems to me to be altogether wrong that Council should for so long a period be deprived of the assistance they have a right to look for from their military colleagues in the disposal of military business. Again, when trouble breaks out it is almost always suddenly. Dame Fortune is proverbially fickle and rarely misses taking advantage of an opportunity if one be afforded her. It is always the unexpected which happens, and it is within His Excellency the Viceroy's knowledge that inconvenience has arisen owing to the absence from his side of a military adviser. In this view His Excellency ruled that the Military Member is not to be absent from the Headquarters of Government while field operations are in progress: this, as the experience of the last 10 years has shown, may be said to be practically continuously. Even for the Thibet Mission I received the Viceroy's orders to proceed direct from Simla to Calcutta.

Military Department controls military expenditure.

19. In paragraph 21 the Commander-in-Chief contests the view that the Military Department exercises any particular financial control or in any way safeguards expenditure.

I cannot admit the soundness of this contention, which is largely based on a misconception of the powers of the Military Department. In the first place as regards expenditure, which can be met by reappropriation from the current year's budget, the Commander-in-Chief implies that, excluding new expenditure, the Military Department is unable to sanction any thing that is not already sanctioned and provided for in the budget. This, however, is not correct. Omitting from consideration the Military Works grant, in which case there is a considerable reserve always retained at the disposal of the Military Department, actuals necessarily differ considerably from the estimates, and there is every year a considerable sum available for reappropriation which is only spent after careful scrutiny of each demand by the Military Department. Again, there are several grants, *e.g.*, Grants

4, 5, 6, 7, 10, 13 (*a*) which are largely based on past actuals, and could not be otherwise calculated. These grants are based on actuals of the previous three years, and any sanction given, or interpretation placed upon the operation of a rule, may have the effect of permanently increasing the grant affected. Moreover, as no proposal involving less than Rs. 20,000 per annum goes into the schedule at all, all demands which do not involve expenditure in excess of this sum or involve a principle are dealt with by the Military Department, and I have no hesitation in affirming that such expenditure, which in the aggregate is not inconsiderable, is watched most jealously, far more so than would ever be the case at Army Headquarters or, indeed, by any authority directly concerned in initiating a proposal or in seeing it accomplished. In short it may, I think, be claimed with absolute certainty that the financial control exercised by the Military Department, quite independently of the Finance Department, is real and effective. By their knowledge of military matters and of the working of the army, they are, moreover, in a position to suggest economies which do not arise from the mere negativing of a proposal. To illustrate my meaning I would cite the following examples:—

Change in system of reliefs. (Saving in one Command 1½ lakhs per annum.)

New Clothing Scheme for British Army, (Saving Rs. 1,71,700 per annum.)

Abolition of bunnias' fees. (Saving Rs. 1,53,000 per annum.)

20. Paragraph 24 of the Commander-in-Chief's memorandum I have already dealt with to some extent in paragraph 8. I may here add that without the Military Department there would be the greatest danger of the military policy changing with each Commander-in-Chief. I have shown that for many years past the state of the finances in India was not such as to render continuous progress possible on wide and clearly defined lines, but Lord Kitchener himself is engaged in laying down a military policy which it is quite possible may find less favour in the eyes of his successors than it meets with at the hands of the Military Department. It is one of the functions of the Military Department to prevent the pendulum swaying too far in either direction.

Military Department preserves continuity of policy.

21. Paragraphs 25, 26, and 27 require no particular notice.

22. I now come to the organisation which the Commander-in-Chief proposes in paragraphs 28 to 30 to substitute for the present system. As I have above sought to defend the present system which, if not perfect, has been shown (by the Japanese) to be sufficiently workable if given a fair chance, I do not propose to criticise in detail the organisation proposed by Lord Kitchener. A proposal on the same lines was put forward in 1888, and dropped. It is an exact adaptation to Indian conditions of the Army Council at home, but with these material differences, that whereas it was clearly laid down by Lord Esher's Committee that the Army Council is to administer and not to command the army, under Lord Kitchener's scheme

Organisation proposed by the Commander-in-Chief.

(*a*) Grant 4—Supply and Transport.
„ 5—Remounts and Veterinary establishments.
„ 6—Clothing establishments.
„ 7—Barrack ditto.
„ 10—Ordnance ditto.
„ 13—Sea Transport charges.

the Commander-in-Chief and War Member combines all administrative and executive duties, a position which finds no parallel in any of the armies of the great powers; further, under the Letters Patent constituting the Army Council, the Secretary of State and Members are all equal and have equal votes, the Secretary of State being appointed President; but in Lord Kitchener's proposal they are all his subordinates, and have no vote or right of dissent at all. This position is dealt with in paragraph 17 above. In fact, the proposal is to establish a military autocracy. It is by no means yet proved that the Army Council has come to stay. He would be a bold man who would predict stability in military administration in England. On the other hand, the military system in India has stood the test for many years. In the words of the Esher Committee report "attempts to combine the administrative and executive functions of the Army have led to confusion, to reduplication of work, to expense * * * *." I agree that this will be the result. We have too to remember that the Army of India is not a homogeneous whole to be dealt with by one set of orders. That all proposals for the Native Army have to be considered not only from the purely military standpoint but also as to their effect on a body composed of many classes and castes whose treatment has also a political bearing. But whatever be the objections to the system proposed in peace, and in my opinion they are serious, they are less important than those to which it would be open in time of war.

Section III., paragraph 5, Part I.

Section II., paragraph 18, Part I.

The Commander-in-Chief says, in paragraph 31 of his Memorandum, that in a big war (and in a small one even the present system is good enough, see paragraph 1) the Commander-in-Chief and War Member, the Chief of the General Staff, and the Quartermaster-General would all take the field. Thus at the moment of greatest strain when all the best Generals and Officers of most experience would accompany the army, the chief military support of the Governor-General in Council would be removed. From those officers who are left behind, it is proposed to appoint an acting Commander-in-Chief, who would have a seat in Council and be the responsible adviser of Government. I pity the Viceroy. This officer would be completely out of touch with everything and everybody; he would be ignorant of all that had gone before, and, with the exception of the Director-General of Ordnance, he would not have a soul who could really help him to meet the manifold and pressing wants of the army in the field, while he might conceivably be at the same time burdened with the responsibility of conducting operation for the repression of disorder in India. Such a scheme does not commend itself to my judgment. I can only faintly picture to myself the chaos, waste and confusion that would reign at headquarters under such conditions! The present system at all events leaves intact the entire machinery which is charged with the all-important duty of equipping and supplying the army in the field, and also leaves it in charge of a responsible adviser who is a Member of the Government, and who is thoroughly conversant with every step which has led up to the then existing state of affairs. It will be noticed that the India Councils Act expressly provides against the possibility of such a state of things arising as that proposed by His Excellency, by decreeing that the Military Member of Council cannot claim to command in virtue of his military rank. He could not, therefore, take a command in the field. Under existing orders of the Secretary of State too an acting Commander-in-Chief has no seat in Council.

Objections to the Commander-in-Chief's scheme in time of war.

23. This major question has arisen out of the case of the administration of the Supply and Transport Corps. In noting on that case I warned my Honourable Colleagues that the point at issue was not the transference of duties from the Military Member to the Commander-in-Chief, but the larger one of the abolition of the Military Member. The Commander-in-Chief deprecated this view, and a compromise on that case was effected.

I regret to find myself at issue with His Excellency the Commander-in-Chief on a matter of such fundamental importance to the army as the system of military administration, but I am, equally with His Excellency, impelled by a sense of duty to state my convictions boldly, and if in some instances my remarks are not entirely impersonal I would observe that it is impossible that they should be otherwise, for I believe it is not so much the system that is in fault as the way in which it has been worked. I would further add that I am glad this controversy has not arisen in an acute form until I am almost entering on my last year in Council. Any changes introduced will not affect me personally, and, moreover, I am prepared at any moment to tender my resignation in the interests of the public service if such resignation will facilitate any new organisation which may possibly be considered necessary.

(Signed) E. R. E[LLES].

Annexure 1.

(Extracts from the Report of the Army Organisation Commission, 1879.)

Position of the Commander-in-Chief as a Member of the Supreme Government.

* * * * * * * *

Position of Commander-in-Chief without precedent in other armies.

141. The position of the Executive Commander-in-Chief as a Member of Council is, in the opinion of the majority, one without precedent in the organisation of any European Government or army. It is contrary to one of the most essential and salutary principles of sound administration: and the common instinct and experience of all administrations, whether representative or despotic, has everywhere rejected it. *primâ facie*, therefore, the retention of so anomalous an arrangement could only be justified, in any well-considered re-organisation of the Indian Army, by strong evidence of special advantages derived from it in this particular case. But the evidence of all Indian experience is, from the positive point of view, opposed to this anomaly even more strongly than the accepted principles and practice of all European countries are opposed to it from the negative point of view. It has been found to weaken simultaneously the executive initiative of the military and the financial control of the civil authority, by constantly confounding and confusing their respective spheres of independent activity. It renders practically impossible that continuous personal conduct, which in every well-organised system of military administration has been found so beneficial between the supreme executive head of the whole army and the subordinate heads of its various branches and corps. Finally, between the Governor-General, the Commander-in-Chief, and the Military Member, whom it places in fundamentally false relations towards each other, there has been, under each successive administration, since the existence of this ill-advised arrangement, continual friction or cause for friction.

Inconvenience and embarrassment consequent on this dual position.

142. The inconvenience of embarrassing the Commander-in-Chief by imposing on him dual functions, and rendering it difficult for him to see enough of the army, was noticed as far back as 1832, when it found place in the report of a Parliamentary Committee on Military Affairs. Nearly every statesman who has given an opinion on the subject in late years, has laid stress on the difficulty of a Commander-in-Chief properly performing the irreconcilable functions of the two offices. It is the constant duty of the Commander-in-Chief to be urging on the Government the expenditure of money for the improvement of the army, and it is to him that the officers and men of the army must look to press their claims and state their requirements. It is the constant duty of the Government of India, on the other hand, in the interests of the tax-payers of India, to refuse demands for expenditure which they consider unreasonable or unnecessary, or beyond the power of the country to bear. When the Commander-in-Chief has, as executive head of the army and as a subordinate of the Government of India, said all that he can properly urge in support of his views, he has performed his duties as advocate; and it should then rest with those responsible for the government of the country to determine how far they can reconcile it to their sense of duty to accede to his requests. But this is not what happens; for the Commander-in-Chief having, as head of a great spending department, pressed as ably as he can his reasons in support of a grant of money, next proceeds to abandon his position of advocate, and takes his seat on the bench with the judges to decide in his own cause. If the application he has made is not accepted—and it very often happens that it is not—an acrimonious and bitter discussion too often takes place; and the relations of the Government with the executive chief of the army are in consequence

constantly strained, and a perpetual friction is maintained, which permeates through the army and its departments, and is most mischievous in its effects on the public interests. It is as unjustifiable to place the Commander-in-Chief in the position of having to urge his views and justify his conduct, when called in question at a Council of which he is a member, as it would be to place the head of a subordinate local Government in the same position. He cannot be unbiassed as a judge, and it is unreasonable to expect that he will sit down patiently to hear his conduct as a subordinate of the Government discussed by his colleagues. The position was very plainly stated by the late Lord Sandhurst in the following words, extracted from a Minute which will be found in Appendix XX:—

Opinion of Lord Sandhurst.

> "It may be assumed that the Commander-in-Chief of each presidency is sent out by Her Majesty's Government to be the principal military adviser of the Government to which he is attached. In the minor presidencies his position is so inferior, that a clash with the local Government is not very likely; and if it should take place, the consequences are not very important. Far otherwise is it with the great functionary called "Commander-in-Chief in India." Whenever the latter is a man of quick and powerful mind, he finds his position difficult; at times almost intolerable. He has a great responsibility, is much appealed to, as shown above; while he often feels and knows that around the head of the Government are irresponsible and secret military advisers who regard him with hostility. Hence it is that many Commanders-in-Chief in India have always been most anxious to live away from the Government as much as possible, while others have been engaged in conflict leading to resignation. I conceive that the evil of divesting the head of the Government of India of his chief and responsible military adviser can hardly be exaggerated; yet if that responsible military adviser is to be at the same time an executive Commander-in-Chief, who is ever engaged in traversing the country on tours of inspection in times of peace, or at the head of the active army in time of war, it is utterly impossible for him to be in his place at the side of the Governor-General, except at rare intervals of time. Military feeling is so strong, and the prizes of war are so great, that no Commander-in-Chief in India can resist the temptation of putting himself at the head of an army in the field, if he has an opportunity. In like manner, for the maintenance of discipline to gain a knowledge of the army, of the manner in which it is housed, cared for, and handled, it is absolutely necessary that a Commander-in-Chief should be ever on the move in peaceful times. Therefore, as said before, the constant presence of the Commander-in-Chief in India in his place as a Member of the Supreme Government, and the recognized responsible adviser of the Governor-General in Council, is an impossibility under the present system."

* * * * * * * *

Abolition of office of Commander-in-Chief disapproved by the Commission.

146. One remedy which has occasionally been proposed for the inconveniences of the existing arrangement, has been the division of the whole army into four such army corps as we have agreed to recommend, and the abolition of the appointment of Commander-in-Chief altogether, making the Military Member of the Council practically the Commander-in-Chief and the head of the War Department, making him in fact the administrative and executive head of the army. We cannot bring ourselves to advocate such an arrangement. It seems to us absolutely impossible that the business of the army can be conducted without a Commander-in-Chief. It is essential that the army should have some recognized executive head who shall constantly visit, first one army-corps and then another, making himself acquainted with the best men of each army, learning the requirements, the defects, or the special merits of the army organization throughout India, capable of gathering together into his hands the threads of the executive control and discipline of whole army, and thus qualifying himself to nominate to the Government the proper officers for high commands or staff appointments, and to advise the Government in respect to changes in the organisation or measures calculated to improve the condition, of the army. It should be his business to draw up for the Government plans of campaigns and expeditions, in which every division of the army should be duly represented, watching carefully and impartially over the interests of each army, and concentrating all the reports, statistics, and returns which are essential for the maintenance of a proper control over the subordinate commanders and departments. It is in fact the duty of the Commander-in-Chief either of his own motion, or when set in motion by the Lieutenant-Generals acting under him, to originate nearly every measure for the improvement of the efficiency of the army, at the same time duly considering the proposals with reference to their cost, relative importance, and influence on the general expenditure of the army. When measures are originated by him and supported by all the power derived from his experience and his position, it is for the Government, which is responsible for the financial administration of the country, to deal with them. In this there is full work for a Commander-in-Chief; and unless he is relieved of all other work it will give him more than he can do. We do not agree with the opinion of Sir Henry Durand, that the salary of the Commander-in-Chief should be reduced. He has to maintain a large staff and occupies a representative position, which is not imposed upon a Member of Council.

147. The relative positions of the Government of India and the Commander-in-Chief should, in our opinion, be those of the Secretary of State for War and the Commander-in-Chief in England. In his evidence before a Parliamentary Committee, which sat in 1860, His Royal Highness most fully recognised and admitted the subordination of the Commander-in-Chief to the War Office; and, indeed, it was clearly shown that, as considerations of finance must always be supreme in the discussion of questions involving military expenditure, no other principle could possibly be carried into practical effect. The English Act of 1870 and the Orders of Council based thereon, confirmed and legalized the principle that the Secretary of State for War was to assume supreme control, direct and indirect, over every detail in the whole machinery of administration. This principle, which is entirely inconsistent with giving the chief executive officer of the army a vote in Council, has worked satisfactorily in England, and should, in our opinion, be extended to India whenever a vacancy in the office of Commander-in-Chief occurs.

Relation between Commander-in-Chief and the Government should be similar to those existing in England.

Annexure 2.

Statement showing special measures sanctioned in the Military Department for which provision was, from time to time, made in the budget estimates of the years 1894–95 *to* 1900–01.

Year.	Indian.	Home.	Total.	Remarks.
	Rs.	Rs.	Rs.	
1894–95	10,60,628	—	10,60,628	
1895–96	48,09,426	—	48,09,426	
1896–97	51,10,494	—	51,10,494	
1897–98*	6,58,754	—	6,58,754	
1898–99*	4,88,241	—	4,92,222	
1899–1900	18,57,009	7,31,265	25,88,274	
1900–01	37,48,672	26,22,300	63,70,972	
Total	1,77,33,224	33,53,565	2,10,90,770	
Average ...	25,33,318	16,76,782	30,12,967	

* The reasons for the low figures are shown in the papers of that date—mainly famine and extensive field operations.

Excludes Indian expenditure on expeditions or other "special services." Home List C. was only started from 1898–99 and prior to that year no separate record of expenditure on special measures at home was kept.

Annexure 3.

Minute, dated 5th October, 1887, *by Lord Dufferin, expressive of his appreciation of the labours of the Mobilisation Committee.*

I cannot allow these papers to go into circulation without expressing my warm admiration of the manner in which the Mobilisation Committee has conducted its arduous labours. Although in the despatch which has been drafted in the Military Department its work is alluded to in very modest terms, and is described as the mere initiation of a project, it is probable that no scheme of a similar description has ever been worked out with greater thoroughness, in more detail, or with a clearer comprehension of the ends to be accomplished than that which is now about to be submitted to the Secretary of State. I consider that especial thanks are due to the Commander-in-Chief and to those of his staff who have been associated with him in this business, to General Chesney, to Colonel Collen who has made this subject his

special study, as well as to the heads of the other departments whose assistance has been involved, as well as to Major Elles, R.A., the able Secretary to the Committee.

Another very pleasing feature in the case is the cordiality with which the different authorities have worked together and endeavoured by united effort to produce a satisfactory result.

I fully appreciate the consideration, upon which too much stress is laid in the despatch, that, in order to render the labours of the Mobilisation Committee permanently effectual, it is necessary that some means should be adopted for keeping all the proposed arrangements up to date, and modifying the suggested combination in accordance with the changing circumstances of the period. The result of the Committee's labours is a magnificent monument of industry and professional ability, and I should be glad if the Military Department would convey to its members this expression of my great satisfaction at what they have accomplished.

Annexure 4.

List of important measures of improvement undertaken between 1885 *and* 1900.

1885.

(1) Increase to the strength of the Army—

British	... ...	10,657
Native	... ...	19,672

Cost 180 lakhs per annum.

(2) Increase and redistribution garrison batteries.

Cost, initial, Rs. 3,18,000; annual, Rs. 9,12,000.

(3) Equipment mountain batteries with 2.5″ guns.

(4) Special defence works (coast and frontier defences).

Cost 4 crores.

(5) Strategic railways, roads and bridges.

Cost 14 crores.

1886.

(6) Reserves for the Native Army.

(7) Military police (18,500) for pacification of Burma.

(8) Mobilisation arrangements for the army.

(9) Two additional Native mountain batteries.

Cost, initial, Rs. 3,20,000; annual, Rs. 2,80,000.

(10) Water-supply to principal cantonments.

1887.

(11) Enlargement of Rawal Pindi arsenal.

Cost 3 lakhs.

(12) Formation of regimental institutes for British troops.

(13) Amalgamation of Supply and Transport Branches of the Commissariat Department.

1888.

(14) Re-organisation of Commands and Staff.

(15) Floating defences of Indian ports.

Cost 40 lakhs.

1889.

(16) Mounted infantry organised for Burma.

(17) Re-armament of Horse and Field Artillery.

Cost 17½ lakhs.

(18) Extension of the Cossipore Shell factory.

Cost Rs. 1,72,000.

1890.

(19) Increase to ammunition columns.

(20) Construction of a wet basin, Bombay dockyard.

Cost 18 lakhs.

1891.

(21) Increase pay to Native cavalry.
Cost, annually, Rs. 8,68,500.
(22) Increase to the garrison artillery.
Cost Rs. 5,80,000.
(23) Introduction steel manufacture.
Cost Rs. 1,25,000.

1892.

(24) Establishment of recruiting system.
Cost Rs. 1,07,500 annually.
(25) Re-organisation of the Intelligence branch.
Cost Rs. 55,000 annually.
(26) Re-construction of lines for Native Army.
(27) Establishment of a reserve of horses.
Cost 7 lakhs initial; 1½ lakhs recurring.

1893.

(28) Re-organisation Hindustani regiments.
(29) Increase to personnel, Ordnance Department.
Cost Rs. 50,000 annually.
(30) Re-armament of British troops with magazine rifles.
Cost 50 lakhs.

1894.

(31) Re-organisation of the Bombay Army.

1895.

(32) Abolition of the presidential armies.
(33) Increase of pay to Native Army.
Cost 30 lakhs annually.

1896.

(34) Re-organisation of the Madras Army.
(35) Establishment of a proof department at Balasore.

1897.

(36) Re-organisation of Hyderabad Contingent.
(37) Construction of Bolan pass road.
Cost 22 lakhs.

1898.

(38) Raising additional mountain battery.
Cost, initial, Rs. 1,60,000; annual, Rs. 1,40,000.
(39) Establishment of a central gun-carriage factory.
Cost, initial, 26 lakhs.

1899.

(40) War reserve of Military Assistant Surgeons.
Cost, initial, 1½ lakhs.
(41) Re-organisation of transport service.
Cost 19½ lakhs annually.

1900.

(42) Concessions to volunteers.
Cost 1 lakh annually.
(43) Institution of cordite factory.
(44) Institution, lyddite filling factory.

Enclosure 3 in No. 2.

Minute, by His Excellency the Governor-General, dated the 6th February, 1905.

1. His Excellency the Commander-in-Chief has addressed us in a Minute of extreme importance. He desires to remodel the military organisation of the Government of India, and he has introduced the subject by a striking reference to the dangers which threaten our North-West Frontier. Lord Kitchener will, I am sure, admit without hesitation that the Government of India are fully alive to the increasing gravity of the military position. Upon the necessity of adequate preparations there exist no two opinions amongst us: and with his valuable assistance we are endeavouring, day by day, to improve and strengthen the weapon which may enable us to confront the danger, when it comes. But we must be careful lest we are led away by the very magnitude of the issue to mistake its character, and to arrive at false conclusions with regard to it. It would be a fatal error to destroy an agency which may have such crucial work to perform, unless we have full reason to be convinced that it is not suited to its task and that a more efficient substitute is forthcoming.

2. This is the problem which we are now invited to discuss. Lord Kitchener's Minute is a sustained indictment of the military administration of the Government of India during the last 40 years, and it culminates in a proposal to abolish that system, and to replace it by a new and wholly different organisation. Under this scheme the Military Department and the Military Member would disappear, and the Commander-in-Chief would emerge as the sole adviser of the Government of India in military matters, the sole Military Member of Council, and the single head, both executive and administrative, of the Indian Army. It is not the first time that proposals of a similar nature have been heard. The relations of the Commander-in-Chief to the Military Member and of both to the Government of India, the retention or exclusion of one or the other from Council, and the best method of conducting the military administration of this country, have been discussed at intervals since the appointment of the Army Organisation Commission in 1879, and have elicited the opinions of the most competent authorities, both military and civil, who have been in the service of the Government of India during that time. They have been reviewed in exhaustive Minutes by Viceroys such as Lord Lytton and Lord Dufferin, by Commanders-in-Chief such as Sir F. Haines, Sir D. Stewart, and Lord Roberts, by Military Members such as Sir E. Johnson, Sir G. Chesney, Sir H. Brackenbury, and Sir E. Collen. They have further been made the subject of enquiry by independent bodies such as the Commission already referred to, and, in a less degree, the recent Welby Commission. On all these occasions without exception the result has been a confirmation of the existing system, which may be said, therefore, to be supported by a consensus of authority almost unprecedented in the history of military administration. The conclusions thus arrived at are now disputed *in toto* by an authority in whom all recognize one of the foremost living masters of the science of military government as well as of the art of war. On the other hand the Honourable Military Member, Sir E. Elles, has replied to the Commander-in-Chief with great fulness, contesting the justice of the latter's remarks, defending the Department over which he has presided with so much ability for four years, and severely criticising Lord Kitchener's constructive proposals. The Civilian Members of Council are placed, therefore, in a position of no small responsibility. For they are called upon to decide between two sets of opinions, irreconcileable with each other, though in each case defended with great authority and force, and involving the fundamental principles upon which the Government of India is based.

3. I feel less reluctance in offering an opinion on the subject than as a civilian I should otherwise have done from the fact that having been head of the Government of India for a longer period than any Viceroy since the

present system was started, I have enjoyed somewhat unusual opportunities of watching it in operation. I have assisted to work it with three Commanders-in-Chief and with two Military Members, and I have seen it applied to the circumstances both of peace and of war. It is true that the latter have not included war with a great European Power. That is a test which, in the nature of the case, it is difficult to provide; although it is noticeable that a system closely analogous to it, at any rate in structural principles, has not proved incompatible with the brilliant victories recently achieved by the armies of Japan.

4. Not that I have any desire to examine or to defend our Indian methods by foreign or by continental analogies. I have observed in the discussion on both sides during the past quarter of a century a frequent inclination to contend that the Indian practice is or is not on all fours with that which prevails elsewhere. Such arguments appear to me to possess little value. For they are apt to ignore the cardinal fact that the Government of India, of which our military system is only a part, is itself without parallel or analogy in the world; and, in so far as they seek to apply the examples of European countries, they forget that those examples have, as a rule, been evolved from one or other of two conditions, neither of which pertains in India, viz., the existence of Parliamentary Government, as in England, or the personal part in military administration that is played by the sovereign, as in Russia and Germany.

5. Neither does it seem to me of practical value to argue the matter from the abstract standpoint. It is easy to contend that a dual system must be pernicious, and will not stand the test of emergency. This depends upon the materials of which the dualism is composed and their constitutional and personal adjustment to each other. Dualism of some sort enters into every branch of British administration, which has invariably sought to divide labour and to prevent the abuse of authority by the provision of adequate safeguards. The Government of India is itself the most notable illustration of such a dualism, in the respective parts that are played in it by the Governor-General in Council and the Secretary of State in Council. By these means a check is provided against the creation of an autocracy which in the case of military matters is more dangerous than elsewhere, owing to the difficulty experienced by the civil power, from lack of professional knowledge, in exerting efficient control. I am not, therefore, myself impressed with the argument that it must be an unwise or unsound thing to submit the proposals of the Commander-in-Chief in India to independent military criticism before they are accepted by Government. The sole criterion appears to me to be—What is the best method of enabling the Governor-General in Council, who is by Statute invested with the supreme command of the Army in India (a power which I consider that it would be disastrous to subvert) to conduct the military administration of this country in times of peace, and to control military operations in war? Objections to the theoretical symmetry of our system would not weigh with me if I felt that it was yet the best available instrument for the purpose in view. Indeed that theory may not be an infallible guide is illustrated by the fact, to which the Commander-in-Chief has alluded in his Minute, that almost immediately after arriving in India, he submitted to me proposals for a complete reconstruction of our system of military administration, which could not at that time have been based upon experience, and which were not identical with those that we are now discussing. I propose, therefore, to confine myself to the practical working of the existing system, as it has been represented by Lord Kitchener and as it is known to myself.

6. In paragraph 4 of his Minute Lord Kitchener draws a picture of the relative positions of the Commander-in-Chief and the Military Member. He describes the latter as an independent authority introduced into the Government of India to deal with all military matters (as though up to a certain point the Commander-in-Chief had been supreme, and had then been superseded—which is not the case); as being "really omnipotent in military matters," and as "having power to interfere with the decisions of

the Commander-in-Chief or to prevent his wishes being carried out, even in questions of discipline and training." Conversely the Commander-in-Chief is described as being unable "to issue orders for the movement of troops or to introduce any but trifling improvements in any of these matters (*i.e.*, the distribution, discipline, training, and efficiency of the army) without the previous sanction of the Military Member." Elsewhere (paragraph 7) the Commander-in-Chief says that "it is impossible to formulate or carry out any consistent military policy," that no needed reform can be initiated without being subject to vexatious, and for the most part, unnecessary criticism," and that "the two offices, *i.e.*, Army Headquarters and the Military Department, have been trained to unfortunate jealousy and antagonism." Incidentally it is added that they occupy separate buildings.

7. If I thought that the above gave a fair impression of the facts, I should be the first to press for immediate and drastic reform. But I am compelled to state, with all respect, that I am unable to recognize the correctness of the picture either in outline or in detail; and the most conclusive refutation of it is furnished, in my judgment, by the experience of Lord Kitchener himself. It is little more than two years since he came to us with an authority and reputation second to none in the British Army. We recognized the enormous advantage that was certain to accrue to India from the application of his abilities and experience to our military problems; and I assert without fear of challenge that my own aim and that of every one of my colleagues, including the Military Member, has been to smooth his path, and to facilitate the execution of the great task which with characteristic energy he at once took in hand. Wherever the existing regulations or practice seemed to raise trivial or unnecessary obstacles, we modified them. We stopped the noting by junior officers in the Military Department upon proposals emanating from the Commander-in-Chief that was said to be a cause of offence. We transferred the issue of all Indian Army Orders from the Military Department to the Commander-in-Chief. We gave him an officer as Financial adviser. We are about to transfer to him the executive control of the Supply and Transport Corps. These are only causal illustrations which could easily be multiplied. We have, in fact, endeavoured to facilitate the execution of Lord Kitchener's plans by every means in our power.

8. The result has been that within less than two years he has carried through a series of reforms that would have more than filled an ordinary quinquennium, and that will stamp his name indelibly upon the military history of this country. I have a list of measures which have been put forward by him and accepted by the Government during that time, the number of which is nearer to 100 than to 50, and which include such important proposals as the increase of the Native Army Reserve, an altered procedure for examination, and a revised system of promotion in the Indian Army, the revision of the Military Leave Rules, the institution of a Staff College at Quetta, large changes affecting the training and appointment of Staff Officers in India, the reconstitution of regiments, surveys for frontier railways, an increase of British officers, rearmament on an unprecedented scale, and, finally, the complete redistribution of the Army and reorganisation of Commands, without doubt the largest military measure that has been attempted in India since the Mutiny. In carrying out these measures the Commander-in-Chief has received the support of Council and of the Military Department to a degree unequalled in the history of our Government. It is within my knowledge that doubts and objections seriously entertained have over and over again been waived in deference to his urgent wishes, and from a desire that full scope should be given to his reforming energy. That he should now turn round and pen a Minute from which the ordinary reader would undoubtedly draw the inference that His Excellency had been hampered and obstructed at every turn, is to me as great a disappointment as it is a surprise. I am obliged to state that his indictment in this respect is, in my opinion, without foundation.

9. Even in the small matter of departmental offices I think it desirable to correct what would be an erroneous impression. We have now a

commodious building at Calcutta in which the two military offices are housed on separate floors of the same edifice, so that personal communications can be exchanged between them by ascending or descending a flight of stairs; while at Simla the two offices adjoin each other, and are not separated by an interval of more than 50 yards.

10. There is another respect in which I cannot accept the correctness of the picture presented to us. In every well-conducted Government there exist means, not necessarily formulated in statutes or in regulations, by which business is despatched and the smooth progress of administration is secured. It might almost be inferred from the Commander-in-Chief's Minute that the military administration of the Government of India is a focus of perpetual dissension. I dissent wholly from any such implication. There have, I believe, been times in the past when the relations between the various military authorities, or between the Head of the Government and one or other of them have been strained. It has been my good fortune throughout my administration to be an entire stranger to any such experience myself, and, during the greater part of it, to be unaware of its existence among my colleagues. The Viceroy does not in practice take the opinion of the Military Member to the exclusion of the Commander-in-Chief, or *vice versa*. No subject of military importance can be raised on which the Government of India is not placed in possession of the views of both. If the Military Department submits any proposal or criticism upon which the opinion of the Head of the Army is desirable, the papers are at once sent to him. His opinion is received with the weight inseparable from its origin. Should there be a disagreement between the two military advisers of Government, the Viceroy consults them in combination. Should the matter not be thus composed, it is taken to Council and decided after general discussion. I do not know of the occasions upon which the slightest attempt has been made to encroach upon the legitimate prerogatives of the Commander-in-Chief, and as regards the particular cases believed to be alluded to in his Minute, it appears to me that the Military Member has offered a convincing reply.

11. Not only, however, does the Commander-in-Chief's complaint appear to me to be unjustified by the facts; it is based, in my opinion, upon a complete misconception of the constitution of the Government of India. The Military Member does not criticise or accept or refuse his proposals as an independent military authority, but as the constitutional representative of the Government of India. He has no other functions and no other existence. I have already observed that the Government of India is by law invested with the supreme control of military affairs. The terms of the Charter Act of 1833 are remarkable in their wideness: "The superintendence, direction, and control of the whole Civil and Military Government shall be, and is invested in the Governor-General in Council." This being so, Government must possess an office and a Ministerial establishment, and an officer of high rank at the head of the department, for purposes of communication with the Secretary of State, for the issue of orders, for the maintenance of continuity of administration, and for the necessary adjustment of military requirements with other branches, and more especially the financial branch, of Government. The head of that department may be either a soldier or a civilian. In some countries he is the latter, in the majority the former. In India it has been considered wise that the Government in the administration of so vast and complex a machine should receive the guidance of a military officer in preference to a civilian. If a soldier were no longer appointed to the post, his place must be taken by a civilian—a conclusion which was clearly foreseen by Lord Lytton, the only Viceroy who has advocated the abolition of the Military Member. When, therefore, Lord Kitchener proposes to destroy the latter without even substituting a civilian in his place, his proposal is in reality one not to disestablish an individual or even a department, but to subvert the military authority of the Government of India as a whole, and to substitute for it a military autocracy in the person of the Commander-in-Chief.

12. That such will be the result is, I think, abundantly clear. In paragraph 12 of his Minute Lord Kitchener explains that he would transfer to the Commander-in-Chief the whole of the services (transport, remounts, food, clothing, armaments and munitions of war) now under the Military Member. In paragraphs 27 to 30 he sketches in outline his new scheme of administration. The Military Department has now entirely disappeared, and there stands forth as supreme head of the substituted organization the "Commander-in-Chief and War Member of Council." Every branch of the service and every military department of the Government will be subordinate to him: every officer will look to him alone for orders, for prospects, and for promotion. The Advisory Council who are to co-operate with him will be a Council not of colleagues or equals, but of subordinates. The Commander-in-Chief will not only be the source of all initiative but the sole instrument of execution. No curb of any sort will exist upon his authority except such as is supplied by the check in financial matters of the Financial Department, and the final authority, in cases requiring Government sanction, of the Government of India; and these ostensible safeguards will be of little avail, since the Government will be left without the expert assistance and advice which are essential to render them effective.

13. In one respect I am entirely on the side of Lord Kitchener. I concur with him in holding that it would be the greatest mistake to abolish the post of Commander-in-Chief in India. That office has been invested by long prescription with the highest authority, dignity, and importance. It is required for the sake of the effect produced upon the British and Native Army alike, upon the Indian Princes, and upon neighbouring States. I would not be a party to any diminution of its prestige. Moreover I hold most strongly, differing herein from the Report of the Army Commission of 1879, that the Commander-in-Chief ought invariably to be a Member of the Cabinet or Executive Council of the Governor-General. I urged these views in a recent case where an eminent soldier was not permitted to sit upon Council during the year for which he was acting as Commander-in-Chief, and I deeply regretted the unfavourable decision of the then Secretary of State. I hope that this mistake may never be repeated; for the Indian Army cannot but feel a sense of injury and perhaps also a lack of confidence in its Chief if the latter, even though only officiating, is not thought fit to be a Member of the Council of the Viceroy. During my term of office, the Council have derived the greatest assistance from the presence at their deliberations of the Commander-in-Chief for the time being. As the executive head of the Army his views upon all questions affecting it ought, in my judgment, invariably to be heard by those whose duty it is to decide; while his opinions on questions of policy and strategy are usually those of the highest military authority in the country. Never has the advantage of his presence been more conspicuous than in the case of Lord Kitchener, who has brought to our counsels a range of experience and knowledge rare even in the illustrious list of Indian Commanders.

14. Nevertheless, I hold not less strongly that the Commander-in-Chief ought not to be the sole Military Member of Council, or the sole Military Adviser of Government. Lord Kitchener has more than once employed in his Minute an analogy that appears to me to be misleading and to rest upon a misunderstanding of the essential difference between civil and military affairs. He asks why it is not thought necessary to have a dual control in our civil administration. The answer is that the control is already multiple. There is no resemblance between the functions exercised by the Home Member of our Government and those which he desires to arrogate for the new Commander-in-Chief. The Home Member does not govern the country, as the Commander-in-Chief would govern the Army, nor does he dominate the civil, as the Commander-in-Chief would dominate the military, administration. The Home Member is controlled at every turn (1) by the influence of the Local Governments, who are the heads of the local administration in a sense that would never be permitted to any Generals of Command; (2) by his civilian colleagues who possess an experience as well as a power equal to his own; (3) by the Head of the

Government, to whom every question involving a decision of any importance is referred; and (4) by Council as a whole, even the non-civilian members of which are frequently competent to offer an opinion on civil affairs. Lord Kitchener says, "It has never been explained why a single official at the head of the Army should be more likely to embark on rash and ill-considered measures than the single head of any other great department of the State." If the explanation has not been offered, it is surely because the charge has never been made. But it is quite easy to explain why a single military head, if he were to propose such measures, would be more difficult to control and would constitute a greater danger than a single civilian. The reason is that discipline in the military branch of the service is interpreted in a wholly different sense from discipline in the civil branch. In both cases it means loyal obedience to orders; but in the former it means also, in a peculiar degree, the subordination of private judgment to higher authority. The present system provides an opportunity for hearing two sides of a case; and military questions, like others, are capable of having two sides, particularly in instances where a Commander-in-Chief may not happen to possess Indian experience, and where it is of supreme importance that the point of view of Indian tradition and practice should receive becoming attention. I am far from saying that under the organisation proposed by the Commander-in-Chief these would be intentionally ignored. But I do say that their chance of full consideration would be dangerously weakened, that criticism would be stifled and subdued, that what the Commander-in-Chief thought would be what the entire military organisation would tend to think, and that the Government of India, deprived of the opportunity of hearing the different aspects of a case—for by the time that it reached them all dissent would have been eliminated—would be in the hands of the Commander-in-Chief in a sense absolutely impossible in the case of the civil administration.

15. This is, indeed, in my view, the greatest danger of the proposed change. It may at first sight seem paradoxical to contend that one Military Member in Council would be more powerful than two, and yet unquestionably this would be the case. For military affairs are so largely a matter of expert knowledge, and civilians are as a rule so loth to offer an opinion upon them, that the proposals of the Commander-in-Chief when submitted to them could hardly be contested except by the assumption of a knowledge or authority which they would be the last to claim. Upon the Viceroy would in practice be thrown the entire brunt of accepting or rejecting the proposals of his principal colleague. If he sided with the Commander-in-Chief the matter would in all probability be carried. If he opposed him opportunity for undesirable friction would be introduced. At present, if the military authorities in Council are united, it is scarcely conceivable that the case will be contested on military grounds; and it will be because of political, financial, or administrative considerations that the proposal is rejected, if it be rejected at all. If they disagree, Council has no greater difficulty in pronouncing between them than is felt by any jury that has listened to the opinions of rival experts. In the interests of my successors no less than of myself, I deprecate a change that would throw upon the Viceroy a responsibility which the head of the Government ought not to be asked to assume. In any case it must immensely aggravate his anxiety and labours. If he were a strong Viceroy, he would incur the risk of finding himself in conflict with his Commander-in-Chief. If he were a weak Viceroy, he would be the tool of the latter, and military considerations would tend to sway the counsels of Government and to dispense the revenues of the State. As was clearly foreseen by Lord Dufferin, with whose masterly Minute on this subject I am in entire agreement, under any such arrangement "the Viceroy would be without any adviser save the representative of the army, who would be more specially interested in pressing proposals involving expenditure or changes in organisation," and "the revenues of the country would be at the mercy of the Commander-in-Chief."

16. It would not be difficult for me to name instances within my own experience in which the Viceroy has been saved from what might have been

serious mistakes by having a second military adviser, of high rank and authority, to whom to turn. I have known military proposals put forward at Army Headquarters which were inconsistent with the fundamental principles of the policy of Government, or with the facts of the situation. A department which is charged with the custody of the records and traditions of Government can issue a warning against any such errors. The chain of subordinate authority proposed by the Commander-in-Chief could not be trusted to offer any such safeguard, since the corresponding officers under the existing system have, in the cases referred to, failed to supply it. Let me take the most ordinary probable illustration. We will suppose that some large scheme emanates from the Commander-in-Chief, upon the policy of which a decision is first required. This will be referred to the Viceroy with the powerful imprimatur of its author. Unless he is himself an expert in the matter, how is the Viceroy to learn that there may be more than one aspect of the case? It will be useless for him to send for any of the subordinate officers in the new Department. They will already have assisted to prepare the scheme, or will feel compelled by a sense of discipline to support it. The Viceroy will be bereft of any independent opinion under this organisation; and the autocracy of the Commander-in-Chief will be unchallenged.

17. There is another drawback in Lord Kitchener's plan which is not disposed of by his defence. The Commander-in-Chief's tours do not always or necessarily synchronise with those of the Viceroy. He may be absent from headquarters at other times, and may visit parts of the frontier to which the telegraph does not penetrate, or from which he cannot be hurriedly recalled. These tours are a valuable and essential portion of his duties. Meanwhile the Viceroy has at his side the Military Member whose presence in these cases becomes indispensable. But even so business is apt to be seriously delayed, and important questions at Army Headquarters are suspended. If the Viceroy possessed but one military adviser and the latter were absent, as from time to time he must be, for considerable periods of time, the organisation proposed by Lord Kitchener would doubtless do its best. But the head of the Government would be deprived of that authoritative military advice which, in a country like India, ought always to be at his hand.

18. If this is the condition of affairs in times of peace, I view with even greater alarm the probable consequence in times of war. The Commander-in-Chief has avowedly propounded his plan in order to enable the Government of India to cope with that grave emergency, and he has told us that he would shrink from conducting war without it. The importance of this statement I should be the last to minimise. But if His Excellency regards the prospect of a campaign from the military point of view, equally am I compelled to regard it from the point of view of the Government of India. It is the Government, and its head in particular, even more than the Commander-in-Chief, who would be held responsible for success or for failure; and no deference to military advice could exonerate the remainder of the Government, if they were to accept a scheme with their eyes open which they conscientiously believed would break down in the hour of trial. I cannot conceive, then, that any Viceroy would consent to conduct a great campaign against a European foe with the machinery that is offered him by the Commander-in-Chief. The latter, having taken the field, as, if he were a great soldier, he would probably desire to do, the Viceroy would be left at a time of the gravest crisis with an acting Commander-in-Chief whom he had very likely never seen, who could know nothing of the work of Government or the supreme control of military affairs, who might not be in agreement with his superior officer in the field, and who would be destitute of any authority or prestige except such as personal qualities might supply. In such a case the military authority and competence of Government would be perilously impaired, and in war as in peace the supreme power would presently be found in the possession of the real Commander-in-Chief. Speaking for myself, I should respectfully ask to be excused from accepting any such responsibility. Lord Lytton himself

was so impressed with the dangers of this situation that he made it an indispensable feature of his scheme that the Commander-in-Chief should not be long or frequently absent from the side of the Viceroy, and should never take command in the field.

19. I have so far regarded the case from the point of view of the policy and conduct of Government both in peace and in war. It should also be considered in its effect upon the Commander-in-Chief. I believe the combined duties which Lord Kitchener desires to vest in the head of the Army to be beyond the capacity of any one man, of whatever energy or powers. It is the function of the Commander-in-Chief in India to supervise the organisation, training, equipment, housing, sanitation, officering, discipline, inspection, and movements of the Army. He ought to know every division and brigade, to be familiar with the principal stations and cantonments, and to be in touch with all his principal officers. It is his duty to create a capable staff, to be responsible for appointments and promotions, to hold manœuvres and camps of exercise, and to visit the frontiers. In addition he is the head of the Intelligence Department, and is the natural originator of schemes of military policy and strategy. When war is declared he is responsible for mobilisation in the first place, and for the subsequent conduct of expeditions and campaigns. In addition, as an Extraordinary Member of Council, he must see all the papers and take a part in the entire business of Government. He is even called upon to be present at the meetings of the Legislative Council. This is more than enough to fill the entire time of a single man. That he should be able to assume in addition the control of all the administrative and spending departments, the conduct of correspondence with the Secretary of State and Local Governments, of communications with other departments, and of legislation when required in Council, the preparation and defence of the budget, as well as the great mass of routine that must under any system be connected with the administration of so large an army, spread over so vast an extent of country and so variously composed—would be, in my opinion, to expect the impossible. If any man were capable of such a burden, it would be the present Commander-in-Chief. But I believe it to be in excess of human capacity, and I confidently assert that no concentration of authority approaching it is attempted in any country possessing an army of similar size and compositeness in the world. Moreover administrative systems are not constructed in order to test exceptional men, but to be worked by average men. If the proposal of the Commander-in-Chief were to be accepted, it is conceivable that as long as he remains in India it might enjoy a temporary vitality. I hazard the confident prediction that it would not long survive his departure.

20. I am encouraged in stating the views which are recorded in this Minute by the knowledge that, with the single exception of Lord Lytton, they have been shared by every authority, whether civil or military, possessing long experience of the Indian Government and Army, who has written upon the subject. Lord Lytton also desired to destroy the Military Department, but for a different reason. In his own Military Secretary he essayed to create an adviser who would enable him to dispense altogether with departmental assistance. Nor am I aware of any public opinion in this country, where military affairs are discussed with such eager interest, in favour of the suggested change. Such a desire may exist in the immediate surroundings of the Commander-in-Chief. But I have seen no trace of it elsewhere. In the course of six years I have never heard it advocated, either in public or in private, either officially or in the press. If the suggested reform were so vital to our administration, is it credible that it should for so long and so completely have escaped attention?

21. With great reluctance, therefore, but without hesitation, I am compelled to advise against acceptance of the Commander-in-Chief's proposals. This is the first occasion on matters of the first importance on which I have dissented from him. But larger issues than the authority or views of any individual are at stake. In my view the entire constitution of the Government of India in relation to military matters is involved;

and it is our duty to consider the position of Government as a whole as well as of the Military Commander, and of our successors as well as ourselves. With a sufficiency of tact and conciliation I believe that the present system can be worked both efficaciously and harmoniously. Either it or something like it appears to me to be essential to the proper military and political administration of the Indian Empire. Any reasonable reform or readjustment in it we would willingly consider. But no such proposals are before us; and the Commander-in-Chief, in designing his new edifice, is not satisfied until he has completely demolished the old. I cannot recommend that it should be swept away on this single and unsupported indictment, or that there should be substituted for it an organisation which will, in my opinion, be injurious to administrative continuity, efficiency, and control in time of peace, and will expose us to even graver risks in time of war.

(Signed) CURZON.

Enclosure 4 in No. 2.

Minute of Dissent, by His Excellency the Commander-in-Chief, dated 18th March, 1905.

Since writing my Minute, I have studied all that has been urged against my proposals in the Minutes of His Excellency the Viceroy and of Sir E. Elles, as well as in this despatch itself. Some attempt has been made to dispute my facts, but, in my opinion, without success. My assertions have been contradicted, but not, I think, disproved. My arguments remain uncontroverted, and are, I believe, incontrovertible. I adhere, therefore, to everything that is contained in my Memorandum, and it follows that I entirely dissent from the accompanying despatch.

2. Without, however, criticising in detail the statements in this despatch—some of which have already been fully dealt with in my original Minute—I would like to disclaim absolutely the conclusion arrived at by my colleagues that my proposals involve a military autocracy or despotism, or contemplate any weakening of that absolute control of all military matters which is—and must remain—vested in the Governor-General in Council. I recommend that that control should be exercised through a different channel; but no one recognises more fully than I do the necessity for maintaining the control itself unimpaired. I do not admit that under my proposals the Government of India in general or the Finance Department in particular will find any difficulty in obtaining all the technical advice and assistance which they can possibly desire.

3. Finally, I must lay stress on the point, which I have already urged in my memorandum, but which has been ignored in the subsequent discussion, that this is not merely a local matter involving Indian interests alone. The question is one of vital importance to the Empire at large; since, in the only great war on land in which we are likely to be engaged, whilst the resources of the Empire will be placed at the disposal of India, the war will be carried on under the Indian military administration. If that administration is capable of discharging the obligation which such an addition to its duties and responsibilities will demand, our resources properly organised should prove sufficient to ensure victory to our arms. But if the administration proves unequal to the task—and I believe that as at present organised it will prove unequal to it—the effects of the disaster which will inevitably follow will be in no sense local but will be co-extensive with the Empire itself. I therefore urge the consideration of this question, not merely from the Indian, but still more from the Imperial point of view.

(Signed) KITCHENER,
General.

No. 3.

The Secretary of State for India to the Governor-General of India in Council.

MY LORD, May 31, 1905.

I have considered in Council with very great care your despatch in the Military Department, No. 36, dated 23rd March, 1905, in which you favoured me with the views of your Government as to the present system of military administration in India, and forwarded the opinions of the Commander-in-Chief and the Member of Council in charge of the Military Department, commonly referred to as "the Military Member," and also a Minute from Your Excellency on the whole situation. I recognise to the full the importance of the issues which you have now brought to my notice, and have submitted them for the consideration of His Majesty's Government.

2. It is pointed out in the early portion of the despatch under reply that the question submitted to you assumes a larger aspect than that which was raised in my despatch, No. 153, of the 2nd December, 1904, and you are of opinion that "the failure to provide the Indian Army in the past "with a scheme of mobilisation equal in scope to that on which we are "now engaged, upon Lord Kitchener's advice, in carrying into effect, is "not due to the system under which we are working, but to the absence "of funds, and to that cause alone." I entirely accept Your Excellency's statement as to the facts which have come under your personal notice, and realise that expenditure, which it has been reasonable to incur in recent favourable years, could not have been undertaken 10 or 15 years ago. But I would point out that, since the year 1900, there have been a succession of surpluses ranging from £1,670,000 to £4,950,000. The certainty of such surpluses accruing has usually been manifest some months before the close of the financial year. It appears to me beyond question, from some of the instances which have been brought before me in the present correspondence, that considerable orders for deficient supplies could have been more readily placed, under a system free from the delays necessitated by the relations existing between the Department of the Commander-in-Chief and the Military Department, than has been possible up to now.

3. I agree with Your Excellency in regarding the case submitted by the Commander-in-Chief, and the reply of Sir Edmond Elles, as opening up wide questions, the consideration of which is rendered extremely difficult by the startling discrepancy between the contentions of Lord Kitchener and the opinion which Your Excellency in Council has pronounced upon them. Lord Kitchener calls attention to the "enormous "delay and endless discussion" involved in the Indian system; he speaks of vexatious and, for the most part, unnecessary criticism, extending not merely to the "financial effect of the proposal, but to its desirability or "necessity from the purely military point of view." He regards the system as one of "dual control and divided responsibility," and after citing a number of instances in support of his view, he states that "the Army is "bad, despite its splendid material in officers and men," and that no continuity of policy has been pursued, except that which is inherent to the present system, namely, "that of making it easy to stand still, and extremely "difficult to move forward."

4. Your Excellency's despatch challenges these imputations *en bloc*, while the answer of Sir Edmond Elles on the charges of delay fully satisfies your Government. As regards the friction attributed to the present system, you desire to dissociate yourselves altogether from the charge that these two offices have been trained to unfortunate jealousy and antagonism, and you think that "there is no unnecessary or inherent want of co-ordination "between the different parts of the military machine." You more especially refer to the treatment of the Commander-in-Chief's memorandum respecting preparations for war and the rapid realisation of the reorganisation

scheme put forward by him as being an unanswerable refutation of the charges against the Military Department. You are "particularly surprised "to learn that the Military Member is really omnipotent in India in "military affairs," and you regard the proposal of Lord Kitchener as one "to substitute for the control of the Army by the Governor-General in "Council, which we regard as a fundamental principle of our constitution, "control by a single individual, that is to say, the Commander-in-Chief "himself." You further point out the impossibility of any one individual, however able, undertaking the sole control of the Departments now divided between the Military Member and the Commander-in-Chief, and you regard the presence of a Military Member as indispensable, in order to secure technical criticism of military proposals made by the Commander-in-Chief.

5. Your Excellency's despatch, in which all your colleagues, with the exception of the Commander-in-Chief, concur, shows that there is a complete divergence between the views of yourself and your Council and those of the Commander-in-Chief as to all these questions. No fault is admitted in the system; no suggestions are considered necessary for recasting it. Indeed, it is not easy to see in what respect, in consonance with your despatch, it would be possible to suggest reform. On the other hand, in the Minute of Your Excellency, of the 6th February, enclosed for our information, it is stated that "any reasonable reform or readjustment in "the system we would willingly consider, but no such proposals are before "us." I could have wished that we had heard at the same time what was in Your Excellency's mind in regard to possible reforms or readjustments, and in what direction you thought it possible that they might proceed. In regard to this, I have carefully considered the past history of the relations of the Commander-in-Chief and the Military Department, in order to ascertain whether the difficulties which have now arisen are of a novel character, or whether, having occurred before, any remedies have been proposed for them.

6. Your Excellency's Minute states, after reciting the numerous occasions on which the Army organisation has been made the subject of review and criticism, that "on all these occasions, without exception, the result "has been a confirmation of the existing system, which may be said, "therefore, to be supported by a consensus of authority almost unprece-"dented in the history of military administration." I cannot help feeling that this proposition is subject to some qualifications.

Sir Ashley Eden's Commission of 1879 stated in very strong terms the objections which existed to the present system, and the impossibility of working it satisfactorily.

Among other pregnant passages it states :—

"The position of the Executive Commander-in-Chief as a Member of "Council is, in the opinion of the majority, one without precedent in the "organisation of any European government or army. It is contrary to one "of the most essential and salutary principles of sound administrations; "and the common instinct and experience of all administrations, whether "representative or despotic, has everywhere rejected it.

"It has been found to weaken simultaneously the executive initiative "of the military, and the financial control of the civil authority, by con-"stantly confounding and confusing their respective spheres of indepen-"dent activity. It renders practically impossible that continuous personal "contact, which in every well-organised system of military administration "has been found so beneficial, between the supreme executive head of the "whole army and the subordinate heads of its various branches and corps. "Finally, between the Governor-General, the Commander-in-Chief and the "Military Member, whom it places in fundamentally false relations towards "each other, there has been, under each successive administration since the "existence of this ill-advised arrangement, continual friction, or cause for "friction.

" One remedy which has occasionally been proposed for the inconveni-
" ences of the existing arrangement has been the division of the whole Army
" into four such army corps as we have agreed to recommend, and the
" abolition of the appointment of Commander-in-Chief altogether, making
" the Military Member of the Council practically the Commander-in-Chief
" and the head of the War Department,—making him, in fact, the adminis-
" trative and executive head of the Army. We cannot bring ourselves to
" advocate such an arrangement."

In consequence, the Committee recommended a drastic change in the existing system by excluding the Commander-in-Chief from Council.

Lord Lytton, writing as Governor-General in 1880, with a greater experience of war on a large scale than any of the Governors-General who have followed him, fully supported the Commission in their desire for change, but stated very forcibly his reasons for thinking that change should take the shape of excluding the officer in charge of the Military Department from Council, and not the Commander-in-Chief. The following paragraphs supply the main points in Lord Lytton's argument :—

" Take away this seat in Council and intensify the Commander-in-
" Chief's subordination to the Military Member, as the Commission proposes
" to do, and it seems to me that the official position of the great executive
" head of the Army in India must forthwith become not only intolerable
" but untenable. I cannot but fear that no officer conscious of his own
" abilities, and possessing, with the independence of character and intellect
" which is desirable, the military rank and reputation which are requisite
" to fill with adequate efficiency and influence the great office of Commander-
" in-Chief in India, would then be found willing to accept it on such terms,
" and this would be a serious misfortune for both the Government and the
" Army of India. I cannot too emphatically record my conviction that the
" dual military Government organised in this country ' on a system of want
" ' of trust ' should be abolished as speedily and completely as possible.
" To quote once more the wise words of Lord Dalhousie, ' there cannot be
" ' two masters having the power to control public measures.'

" My conclusion is, then, that the Commander-in-Chief should be
" himself the Military Member, *and the only Military Member*, of the Vice-
" roy's Council. In him alone, as in the War Minister of every country
" not governed by parliamentary institutions, should be united and con-
" centrated the executive command and the administrative control of the
" Army. . . . .

" The recognised head of this great Army of India, cannot, with advan-
" tage to it or to the State, be long or frequently absent from the seat of
" Government, and were the Commander-in-Chief in India fully invested
" (as I for one would wish to see him) with all the important functions
" and responsibilities appropriate to his natural position in a non-Parlia-
" mentary Government, he would I feel sure be the first to recognise that his
" proper place is by the side of the Viceroy, and that it is not consistent with
" the efficient discharge of his highest duties to absent himself from the
" Council table of the Governor-General in order to take personal command
" of fractions of his own army which may happen to be employed at any
" time on active service. . . .

" I do not approve or support the proposal to exclude the Commander-
" in-Chief from Council. But I am, nevertheless, deeply, convinced of the
" expediency of putting an end to the dual element in our present military
" administration."

No action was taken on either of these proposals.

Lord Dufferin, writing in 1888, expressed in the following very strong terms his preference for the maintenance of the Military Member in Council :—

" The history of the past is invoked by the department which is con-
" cerned with the maintenance of the constitutional and traditional policy

"of the Government of India, while the purely military view of the matter "under discussion is powerfully represented by the Commander-in-Chief "both through the medium of his staff, and by his own presence and influ- "ence in the Council Chamber. Under such a system I believe there is "neither danger of rash innovations being carried by a military chief who "from absence from India, or other causes, may not be in sympathy with "Indian circumstances and affairs, nor the slightest risk that the Army of "India shall be passed in the race of military reforms and inventions. . . "

" It will be seen, therefore, that I hold the strongest opinion that the "form of the supreme military administration in India should not be "changed, but that opportunity should be taken to introduce improvements "whenever this can be done without impairing the constitutional structure.

" In conclusion, I desire to point out to my colleagues that these opinions "are founded upon no mere theoretical considerations, but are based upon "experience, for it has been my lot to overlook during my tenure of office "considerable military operations and to enter upon military questions of "great magnitude and importance."

But in the following year Lord Roberts, the then Commander-in-Chief, placed his views very unmistakeably before the Governor-General (Lord Lansdowne) in the following passages taken from his Minute:—

" Although it would be difficult to find more able or experienced officers "than those at present employed in administering the Army, inclusive of "its finances and subsidiary departments; and although the Military "Secretariat and the Army Headquarters offices have been brought close "together at considerable expense, still, official correspondence has "increased enormously, and the relations between the two great depart- "ments of the Indian War Office are becoming less cordial than might be "desired.

" Such a state of things is much to be regretted. Here are two sets "of officers of high capacity, animated by a common zeal, guided by a "common sense of duty, and each striving to do their best for the Sovereign "they serve and the army to which they belong. Yet each set appears to "be pulling a different way, to be following a different object, and to "be actuated by a jealous rivalry rather than by a friendly emulation. Such "a result can only be brought about by a system so radically faulty that it "neutralizes individual effort and estranges official relations."

Changes in procedure were in consequence authorised by Lord Lansdowne, which satisfied Lord Roberts, and secured a more effective working of the system during the remainder of his period of office.

Your Excellency, while referring to the above opinions and some others, has not cited the views of any of the Commanders-in-Chief later than Lord Roberts, and no formal expression of opinion seems to have been invited on this matter in the ten years which preceded the appointment of Lord Kitchener. But it has been brought to my notice that both Sir George White and Sir William Lockhart, during their respective periods of command, at different times expressed opinions very similar to those which have been cited from Lord Roberts' Minute of 1889. It is also noteworthy that in June, 1898, Sir Donald Stewart, in a minute recorded in this Office, written apparently under a sense of the difficulties which then prevailed, gave his opinion as follows:—

" I should like to go further and ask the Government of India to consider "the desirability of excluding the Commander-in-Chief from Council. The "Government can at any time consult the Commander-in-Chief on military "or other matters when the necessity arises."

7. So far then from the existing system being supported by a consensus of authority almost unprecedented in the history of military administration, I would point out, for your Excellency's consideration, that, while

successive Commanders-in-Chief have found it exceedingly difficult to work, the force of their contentions is fortified by the fact that the Ashley Eden Committee, Lord Lytton, and Sir Donald Stewart, all at different times proposed the removal of one of the contending parties from Council, and the evidence taken generally would appear to show that, although a *modus vivendi* has been secured by the tact and good feeling of the officers principally concerned, the system has not been one tending to smooth or effective working. To these authorities must be added that of the present Military Member, who, in the Minute enclosed in Your Excellency's despatch, argues in favour of the abolition of the dual system by the removal from Your Excellency's Council of the Commander-in-Chief, and adds that "his dual "functions have in the past given rise to friction and will certainly do so "again."

8. In reviewing the minutes which you have placed before me, I desire at once to express my conviction that there has been no deliberate opposition to or delay of the Commander-in-Chief's proposals by the Military Department. It is due to Sir Edmond Elles' own character, as well as to that of the officers serving under him, to make it prefectly clear that his discharge of duty has been dictated entirely by his conception of the responsibilities devolving upon him, and of the public interest. Moreover, his line of conduct has under existing regulations received the approval of Your Excellency's Government. The treatment of Lord Kitchener's reorganisation scheme by the Military Department is, as Your Excellency justly observes, a testimony to the spirit which animates the work of the higher officers of that Department. The question to be now considered is whether the conception which the Military Member has formed of his duty, no doubt following the precedent of some of his predecessors, is a correct one. Sir Edmond Elles states that "the system is that of *divide et impera*," and he cites the late Sir George Chesney to the following effect: "If the relations "between Army Headquarters and the Government, as represented by the "Military Department, are to be maintained harmoniously under the pro-"posed arrangement, it can only be by the authorities connected with the "former recognising their position of relative subordination, subordination "compatible with deference to their opinions on the part of the Military "Department, but nevertheless that the Military Department is the Govern-"ment as far as they are concerned, and that its decisions must be loyally "accepted."

9. These views appear to have animated the Military Member in the whole of his conduct of the affairs of his department. In theory they merely assert what is patent to everyone connected with the Government of India, namely, that the Commander-in-Chief, like every person and every department in the Government of India, must be subordinate to the Governor-General in Council, and must take his orders through some channel, and that the Military Department is the channel for conveying such orders. They infer that any indisposition on the part of the Commander-in-Chief and Army Headquarters to accept them in such a manner is due to a lack of appreciation of the constitutional principles on which the Government is conducted.

10. In practice, however, the insistence on Sir George Chesney's formula leads to an anomalous condition of affairs. It is obviously impossible for the Governor-General, who is himself immediately responsible for the control of the Foreign Department, who regulates the disposal of the difficulties that arise in all other departments of Government, and who holds one of the most laborious posts, if not the most laborious post, under the British Crown, to be consulted daily and hourly on the numberless questions which arise in the administration of an army. As a matter of daily routine, it is obvious that only a small number of such questions can be submitted to him or to the Council at all. They have to be decided, therefore, by some responsible officer, who, in this case, is the Member in charge of the Military Department.

The position, therefore, is as follows :—The most distinguished soldier available is placed in command of the Army in India. He is necessarily subject, as in the case of every other country where the command of the Army is not in the hands of a despotic ruler, to financial and political checks. But, in the case of India, alone, as it is believed, among all military organisations, the Commander-in-Chief is subject to having his military proposals checked and criticised by another expert of less standing and reputation than himself, who, after reviewing them, has the privilege of submitting the result to the final court of appeal in India, namely, the Governor-General in Council, where he votes on an equality with the Commander-in-Chief, and, finally, conveys to his own colleague the orders of the Government. This situation is rendered the more anomalous by the fact that the Secretary to the Government of India, who is necessarily in close relations with the Member in charge of the Military Department, is also an officer in the Army, and is available for consultation by the Viceroy, without the knowledge of the Commander-in-Chief, who has consequently two critics of inferior rank whose views on military questions may be preferred to his. Under such a system it can only be due to the tact and judgment which have been shown by all parties that complaints have not more frequently transpired; and, were it not for the important constitutional questions which are raised in the despatch under reply, and which have no doubt been present to the minds of Your Excellency's predecessors, it is doubtful whether the system in its present form would have been allowed to continue without modification up to the present time.

11. In paragraph 10 of the despatch, under reply, Your Excellency states that "in its constitutional aspect, we are as much in disagreement "with the argument of the Commander-in-Chief as we have been in its more "critical features. We regard his scheme as a proposal, not so much to "improve the efficiency of the Army either in peace or war, as to revolu-"tionise the Government of India," and you speak of "a system of military "autocracy such as is advocated by Lord Kitchener." In paragraphs 14, 15, and 16 of Your Excellency's Minute, you review the dangers which would be involved by having a Commander-in-Chief as sole military adviser to the Government. I think that, in putting forward this contention, Your Excellency has hardly done justice to the checks under which the Government of India is worked. Even if the proposal of Lord Kitchener were adopted in its entirety, measures connected with the Army would still be subject financially to the criticism of an expert financier with a large department, the head of which has a seat in Council. In their political bearing they would come under the review of the five or six trained heads of departments sitting in Council, while above and beyond both is the Governor-General himself, wielding great power, with access to all documents or persons whom he may desire to examine. Supposing all these obstacles to have been surmounted, any change of importance, and many which are not of great importance, are, by the statutes which govern the administration of India, referred to the Secretary of State in Council at Whitehall. The organisation of the department under the Secretary of State involves the review of any military measure by a Military Department which has at present an Indian General at its head. Such measures are then submitted to one or more Committees of the Council of India, on which experienced military officers have, from its inception, always had a place, and are finally subject to the decision of the Secretary of State in Council. By the mere fact of the time occupied in the transmission and consideration of the documents, it is obvious that no step can be taken hastily or without due deliberation. Indeed, were the machinery about to be set up *de novo*, it is open to doubt whether the Indian Government might not urge that the checks imposed on the passage of a measure from the time it leaves the hands of its author to its final adoption after discussion in London, are too numerous for the rapid progress of business. Bearing in mind all these processes, which, though familiar to Your Excellency, do not appear to have been fully weighed in the despatch under reply, it is difficult to understand how the absence of a second military expert in Council

" would produce a military autocracy," or violate " a fundamental principle " of our constitution."

12. His Majesty's Government, after most carefully weighing the arguments put forward on both sides, are forced to the conclusion that, while there may be strong reasons against the adoption as a whole of the proposals of the Commander-in-Chief, the time has come when it is necessary substantially to reform and readjust the system under which military business is conducted. Whatever the views of the framers of the Military Department may have been at its inception, it is clear that it can only have been intended to typify the paramount civilian control of the Governor-General in Council, and not to supply a military equipoise to the authority of the Commander-in-Chief. Nevertheless, during the last 25 years, the progress seems to have been consistently in the latter direction. The Secretariat has at its head a Major-General and two Colonels, while the number of military officers employed in the Department has very largely increased. Until recent years it was the practice of the head of the department to sink his military status on all occasions, and to adopt the civil *rôle* which appertains to the powers which he wields. While the estimate of those responsible as to the character of their duties appears to have somewhat changed, the actual work passing between the two departments has largely increased. It is noteworthy that in the year 1903-04 the number of communications passing between the Military Department and the Commander-in-Chief's Department amounted on mobilisation questions alone to nearly 10,000, although the two departments, as Your Excellency points out, are situated in the same building at Calcutta and in adjacent buildings at Simla. In reference to this, Sir Edmond Elles suggests that the abolition of the Mobilisation Committee is to a great extent responsible for this increase of correspondence, but it is clear that any committee, the chairman of which is liable to be subsequently overruled at the instance of one of the members, from whose department may emanate orders entirely opposed to the decision of the Committee, must be worked with some difficulty. The situation of both the Military Member and the Commander-in-Chief on such a Committee must necessarily be a delicate one.

13. The same observation applies to the discussions which have taken place between the two departments on matters in which military and financial considerations are blended. So long as the member in charge of the Military Department considers himself bound by his office to supply the Government of India with a technical and expert opinion on all that is proposed by the Commander-in-Chief, he would be wanting in his duty if he shrank from bringing forward such arguments as he thinks applicable to each case. It is thus possible for each officer to discharge his duty correctly, and yet for the public service to suffer, and I am satisfied that in many instances the discussions proceeding between these two departments have passed the limits of safety in matters in which action might be urgently required.

14. To take, as an instance, the question of the small arms ammunition reserve, on which both Lord Kitchener and Sir Edmond Elles have written at some length. The printed proceedings show that Lord Kitchener asked for a reserve of 1,000 rounds per arm of small arms ammunition on the 17th February, 1904. The scheme apparently was not noted on in the Military Department till the 19th May, 1904, a loss of three months. Discussion in the department proceeded till the 21st July, 1904, when a despatch was sent to the Secretary of State asking what was the amount of the reserve of small arms ammunition maintained at home. The Secretary of State telegraphed a reply on the 16th August, but the Military Department decided to await details by post, and the case was returned to the Adjutant-General in the Commander-in-Chief's Department, apparently for the first time, on the 21st September, after more than seven months' delay. In October the Commander-in-Chief, while adhering to his already-recorded opinion, accepted the Military Department's proposal for the time being, but reserved the right to re-open the question in the future. Accordingly, after nine months' consideration, the reserve of

1,000 rounds asked for was cut down to 750 rounds, involving a total addition of 50,000,000 rounds to be manufactured in three years. Further discussions took place as to whether ammunition immediately available for purchase in England out of savings on the Military Budget should be accepted as part of this supply, which was again contested by the Military Department, and a final decision was only given on the 22nd December. The whole question thus occupied ten months, and it is noteworthy that during that period telegrams were passing between the Secretary of State and the Viceroy as to a possible mobilisation and the provision of stores, of which this reserve was not the least urgent.

15. In considering how the difficulties which have arisen can be met, I desire to lay down that, in the opinion of His Majesty's Government, it is undesirable that in the future there should be two officers appointed to the Viceroy's Council for the purpose of giving expert opinions on military questions, or that there should be two departments under the Government of India equipped for the purpose of dealing with purely military problems. On the other hand, I agree with your Excellency in your opinion that it would be impossible for any one man, however able and hard working, to undertake the whole responsibility of the business at present conducted by the Military Department and the Commander-in-Chief. It would not be in accordance with modern ideas of military organisation to hamper the Commander-in-Chief with the details of contracts, manufacture, the provision of stores, and the conduct of military works, when the responsibilities of his own peculiar province tend to increase every year. It is necessary that the Commander-in-Chief's mind should be free for the control of the personnel and training of the army, for strategical plans, and for the direction of military intelligence and of schemes for mobilisation. But while it is highly desirable to make a division of labour which should not impose on the Commander-in-Chief the direction of details which are not wholly of a military character, it is essential that, while sparing him this burden, we should not impose on him a greater one by the duplication of discussion relating to military problems of every description. Starting from this standpoint, the following changes of organisation appear to His Majesty's Government to be necessary.

16. They propose to draw a clear distinction between the purely military services which should be controlled by the Commander-in-Chief, and the services of supply and manufacture, which will be under the control of a separate officer whose relations with the Commander-in-Chief will differ from those of the member in charge of the Military Department as at present organised.

17. The Commander-in-Chief will be directly responsible to the Governor-General in Council for command, staff, and regimental appointments, promotion, discipline, training, organisation, distribution of the army, intelligence, mobilisation, schemes of offence and defence, peace manœuvres, war preparation (excluding supply of matériel), and the conduct of war. As regards the Supply and Transport Department, in which matters of personnel and matériel are alike concerned, the arrangement which has recently been made will be adhered to. Such matériel, ammunition, and stores as are required for mobilisation will be entrusted to a personnel directly responsible to the Commander-in-Chief.

18. The functions of the Military Department, in charge of another member of your Council, will be limited to responsibility to Government for the control of army contracts, the purchase of stores, ordnance, and remounts, the management of Military Works, the Clothing and Manufacturing Departments, Indian Medical Service, and Indian Marine. The recent development of the Manufacturing Departments, which will, as your Excellency informs us, be shortly employing 15,000 to 20,000 skilled artisans, will make a special demand upon the time and administrative ability of the member in charge.

With regard to Military Finance, it has been suggested that it would be very advisable to transfer the Departments of the Military Accountant-General and of the Controllers to the Finance Department of your Excellency's Government. This, it is urged, while strengthening the financial control of your Government over all military proposals, would diminish the probability of friction between the Commander-in-Chief's Department and the Department of Military Supply, and would give to the latter some useful relief. I request that your Excellency will consider this proposal in Council, and will favour me with your opinion upon it.

19. When effect is given to these provisions, the work of the present Military Department will be distributed between two Departments, one of which, dealing with the subjects specified in paragraph 17, will be known as "The Army Department," and will be in charge of the Commander-in-Chief as Member of Council; while the other, to be called "The Department of Military Supply," will deal with the subjects mentioned in paragraph 18, and will be in charge of another Member of Council; and each of these departments will have its own Secretariat.

20. Apart from the apportionment of duties as indicated above, the procedure to be followed in conducting business between the Army Department and the Military Supply Department is very important, since it appears that the friction which has occurred of late years is due to the methods of the Military Department, as well as to the principles on which it has worked. The Member in charge of the Military Supply Department should realise that his duties are more of a civil than of a military nature, and that his business is to assist the Commander-in-Chief in his endeavours to render the army in all respects fit for war, within the limits of financial considerations.

21. The present system under which junior officers in the Military Department record their criticisms on the purely military proposals of the Commander-in-Chief will necessarily terminate. Neither the Member nor his Department will have the power to veto any proposal put forward by the Commander-in-Chief. The power of veto (apart from any statutory powers vested in the Governor-General) must rest exclusively with the Governor-General in Council after due consideration. As a means of expediting business, it appears particularly desirable that there should be frequent personal conference between the heads of the Military Supply and Army Departments.

22. In this connection I think that the sittings of the Mobilisation Committee may advantageously be revived. The difficulties which prevented Lord Kitchener from fully availing himself of the Committee in the past will have been done away with. The Commander-in-Chief, sitting as President of such a Committee, which would include the Member in charge of the Department of Military Supply, and other officers, will be able rapidly and effectively to dispose of many questions which are now the subject of prolonged correspondence.

23. The Member of Council in charge of the Military Supply Department will specially advise the Governor-General in Council on questions of general policy as distinct from purely military questions, and it will be desirable in the event of the Commander-in-Chief being an officer of the British service, that the Member should be an officer of considerable Indian experience and of administrative capacity, and intimately acquainted with the characteristics of the Native Army. His functions will be essentially those of a civilian administrator with military knowledge and experience. The changes which it is proposed to introduce into his department will make it necessary to dispense with some of the officials in the department whose numbers have considerably increased in the last twenty-five years, and to employ officers of a rank not so high as at present, but equal to that of their predecessors in earlier years, while the Secretary should not, in future, be of higher rank than that of Colonel. Some reduction of staff

will also be possible which will go towards meeting the additional cost of the changes which are recommended at Army Headquarters, and which I now bring to your Excellency's attention.

24. The duties of the Commander-in-Chief have been constantly increasing of recent years. It has become necessary for the Commander-in-Chief to control questions of military intelligence and organisation, and to spend even a larger time than heretofore upon the personnel of the army. The greater amount of scientific attainment now required by officers necessitates a much more careful weighing of promotions, many of which have hitherto been given by seniority. Inspections by the Commander-in-Chief mean a great deal more than they did thirty or forty years ago. Arrangements for mobilization, which have been shown to involve the control of the personnel connected with the custody of ammunition and stores, as well as of the Supply and Transport Department, will form a further addition to his duties. Nor can it be forgotten that the reorganisation scheme of the Commander-in-Chief and the measures which will be rendered necessary on the completion of the strategic railways, for which authority will shortly be asked, will form a specially heavy burden on the Commander-in-Chief for the next five years. I am of opinion, therefore, that it is essential that, under the arrangement proposed, an additional officer of superior rank should be appointed as Chief of the Staff to the Commander-in-Chief.

25. This addition will make it possible in future to lay down that, as vacancies occur, when the Commander-in-Chief is an officer of the British Army, two out of the three chief officers under him—the Chief of the Staff, the Adjutant-General, and the Quartermaster-General—shall be selected from the Indian Army, while, when the Commander-in-Chief is an Indian Army officer, two out of the three staff officers may be drawn from the British Army. While it is desirable that the Commander-in-Chief should be the sole expert adviser of the Government on purely military questions, it appears to be of great importance that adequate experience and advice should be ready to his hand at the inception of all his proposals.

26. The desire to obtain increased efficiency and proper training for a voluntary army must involve an increase of strain upon officers and men, whether in Great Britain or India, and it often happens that the best military results cannot be obtained without a curtailment of holidays and recreation, or without calling for a certain amount of self-sacrifice on the part of all ranks. It is highly desirable, in an organisation like the Indian Army, that the measures, which may be necessary for this purpose, should not be undertaken, or even indicated, without careful expert consideration at headquarters, and it is clear that the necessary precautions in carrying out such measures should not depend on the foresight of one officer in the military hierarchy alone.

27. Assuming this to be recognised, it is most important that the Commander-in-Chief should not feel that all his measures are put forward tentatively to be checked by minute criticism in another department, after he has arrived at his opinion. He should be in a position to submit his schemes direct to the Governor-General in Council, which is not at present the case. It is, therefore, essential that there should be a Secretary to the Government of India in the Army Department to prepare cases and documents for direct submission to the Governor-General in Council, and to undertake correspondence with other Government Departments. Alike when the Commander-in-Chief is present, and in the event of his absence from Council, this officer will attend its meetings to submit papers and to give such information and explanations as may be asked for. He will draw the same salary as may hereafter be assigned to the Secretary to the Government of India in the Military Supply Department.

28. I have now laid down the measures which it appears to me, after consideration in Council, desirable to adopt in view of the decision of His Majesty's Government that the present conflict of authorities shall be put an end to, and that greater freedom of working shall be given to the

Commander-in-Chief. I request that Your Excellency will consider forthwith what procedure will be necessary to give effect to this decision, and that you will submit for my approval the arrangements and the rules of business which it will entail. I have already requested Your Excellency's Government to advise how the question of the Finance Department should be dealt with, while the Commander-in-Chief will no doubt furnish for approval the general distribution among his staff officers of the different duties hereby assigned to him.

29. It is highly desirable, in the interests of all concerned, that the changes which His Majesty's Government have decided upon should not be delayed, and that the officials, who may be appointed to undertake the discharge of the duties laid down above, should enter upon office as soon as may be convenient, but not later than the 1st October next.

30. I have felt it necessary to review at considerable length the various points which have arisen in the present controversy, in order that Your Excellency's Government may be assured that the changes now proposed have not been adopted without the fullest possible consideration of all the interests involved. The smooth and effective working of any department, civil or military, can only be secured by the goodwill of individuals, but the organisation which His Majesty's Government have decided to adopt may, I hope, be counted upon to remove the obvious causes of friction which have militated, in some instances, against good working in the past. The undoubted supremacy of the Governor-General in Council will be maintained. The Commander-in-Chief will wield powers and possess machinery adequate for the furtherance of his military schemes, but not such as to free him from proper financial and political criticism. The Military Supply Department will form a valuable link between the civil and military elements in the Government of India, and the officers employed in it and in the Army Department respectively will mutually assist each other in removing the obstacles which the present Commander-in-Chief, in common with some of his predecessors, finds to be existing to the impediment of business. I cannot doubt that all departments of the Indian Government, and all the individuals concerned, will co-operate with Your Excellency to bring the new system into successful working at the earliest possible moment.

I have, &c.,

(Signed) ST. JOHN BRODRICK.

EAST INDIA (ARMY ADMINISTRATION).

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REGARDING THE

ADMINISTRATION OF THE ARMY

IN

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EAST INDIA (ARMY ADMINISTRATION).

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REGARDING THE

ADMINISTRATION OF THE ARMY

IN

INDIA:

No. 1.

Terms of reference to a Committee on Indian Army Administration, appointed in May, 1905.

To consider the correspondence which has taken place between the Secretary of State in Council and the Government of India on the subject of Army Administration in India, and to report:—

(1) whether it is advisable that Army Administration in India should (subject to the Viceroy in Council) be, as at present, under two separate Military Heads of Departments;

(2) whether it is advisable that more than one member having the charge of military business, and speaking as an expert on military matters, should sit on the Viceroy's Council;

(3) if either, or both, of these questions be answered in the negative, then to advise what modifications of the present system should be adopted; and, more particularly,

(4) if a single member of Council be henceforward made responsible for Army Administration, whether that member should be the Commander-in-Chief; and

(5) whether it is advisable to provide that the proposals of the single member responsible for Army Administration shall be subject to independent military criticism for the benefit of the Viceroy in Council, and, if so, how this can best be accomplished.

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No. 2.

Report of Committee.

The Committee have reviewed with great care the despatch submitted to them, and the accompanying Minutes. We have also had before us a number of papers bearing on Military Administration in India, including a report of Sir Ashley Eden's Committee in 1879, Minutes by Lord Lytton and Lord Dufferin, and other documents contributed by the India Office or by different members of the Committee. We have also asked for opinions on the general question, or on special points from various officials who have had past experience of working on the Council in India, including Lord Elgin, Lord Cromer, Sir Henry Brackenbury, Sir David Barbour, Sir Edwin Collen, and others.

Before answering the questions proposed to the Committee it is necessary to refer to the present constitution of the Viceroy's Council in respect of military questions, which presents certain anomalies. The business dealt with by the Government of India is divided into various Departments, each of which, with the exception of the Foreign Department, which is conducted personally by the Viceroy, is committed to a Member of Council who presides over the Department, and has the assistance of a Secretary to the Government, whose advice can be called for by the Viceroy apart from that of the member in charge of the department. The Secretary of each Department attends from time to time in Council when departmental matters are under discussion, and explains them at the Council Board, although he has no vote. This principle is applied to the Military Department in the same manner as to others, and, whatever may be the effect of its working in the Civil Departments, the Army presents special features, and difficulties have from time to time arisen.

The position of the Commander-in-Chief, although clearly defined and highly responsible, is one which it is not easy to fit in to any organization. As the head of the Army, having, under the Viceroy, the responsibility for all of what may be termed the "show" portions of the Army, he occupies a position second to no one in India except the Viceroy himself. In the Native Army he probably occupies almost a more conspicuous position than the Viceroy, and his pay and emoluments are more on a par with those of the Governors of Bombay and Madras or the Lieutenant-Govenor of the Punjab than with those of an ordinary Member of Council. It has been the practice for many years past to give him a seat in Council as an Extraordinary Member, and the military prestige of Commanders-in-Chief has secured them for the last fifty years a very high degree of personal respect for their opinions.

But while custom and convenience have assigned a practically unique position to the Commander-in-Chief in regard to the Indian Government, his actual position in the official hierarchy is anomalous. The orders of the Government of India, which must of course be supreme, are conveyed to him by the Military Department, which is presided over by an officer of junior rank and possibly of inferior military attainments and experience to himself. This officer, who for many years past has been a Major-General, has as Secretary to the Government in his Department another officer, also recently a Major-General, who has not only the office of conveying to the Commander-in-Chief the decisions of the Government of India, but can himself be consulted, without reference to his immediate chief, by the Viceroy on any military question. The Commander-in-Chief has, therefore, between himself and the Viceroy, two officers of junior rank, both of whom are entitled to criticise all his proposals from a military standpoint. It is obvious that such a procedure can only be worked satisfactorily by those concerned if very special tact and judgment are shown on both sides.

It is unquestioned that proper provision must be made for a political and financial check to be applied to all the military proposals emanating

from the Commander-in-Chief, but it is clear to the Committee that the system, to which the present Viceroy attaches importance in his minute, of providing a soldier of presumably inferior attainments for the express purpose of criticising the military proposals of his superior officer after the latter has been placed at the head of the Army in India, must at times lead to friction, and is likely to produce unsatisfactory results.

Very wide divergence of opinion exists as to the merits and demerits of the present system, but it will be seen by a reference to past history that, allowing for periods when by the tact and good feeling of the officers presiding over these Departments the system has worked with comparatively little difficulty, there has been apparent from time to time a strain which has reacted prejudicially on the administration of the Army. Going back to 1879, we find that the Ashley Eden Committee, in which several General officers of high standing were included, reported that—

> "141. The position of the Executive Commander-in-Chief as a Member of Council is, in the opinion of the majority, one without precedent in the organization of any European Government or Army. It is contrary to one of the most essential and salutary principles of sound administrations; and the common instinct and experience of all administrations, whether representative or despotic, has everywhere rejected it. . . . .
>
> "It has been found to weaken simultaneously the executive initiative of the military, and the financial control of the civil authority, by constantly confounding and confusing their respective spheres of independent activity. It renders practically impossible that continuous personal contact, which in every well-organized system of military administration has been found so beneficial, between the supreme executive head of the whole Army and the subordinate heads of its various branches and corps. Finally, between the Governor-General, the Commander-in-Chief, and the Military Member, whom it places in fundamentally false relations towards each other, there has been, under each successive administration since the existence of this ill-advised arrangement, continual friction, or cause for friction."

As a result they recommended the exclusion of the Commander-in-Chief from the Council, and thereby showed in the most practical way that they considered the system unworkable.

In 1889, after four years' experience of the Commandership-in-Chief, Lord Roberts wrote as follows:—

> "* * * These discussions have been natural enough, for to anyone acquainted with the working of the machinery by which the administration of the Army in India is carried on it must have been obvious, not only that the present procedure has become cumbrous, dilatory, and complicated, but that its defects are gradually increasing. Although it would be difficult to find more able or experienced officers than those at present employed in administering the Army, inclusive of its finances and subsidiary Departments; and although the Military Secretariat and the Army Head-quarters offices have been brought close together at considerable expense; still, official correspondence has increased enormously, and the relations between the two great Departments of the Indian War Office are becoming less cordial than might be desired.
>
> Such a state of things is much to be regretted. Here are two sets of officers of high capacity, animated by a common zeal, guided by a common sense of duty, and each striving to do their best for the Sovereign they serve and the Army to which they belong. Yet each set appears to be pulling a different way, to be following a different object, and to be actuated by a jealous rivalry rather than by a friendly emulation. Such a result can only be brought about by a system so radically faulty that it neutralizes individual effort and

estranges official relations. . . . If Army administration is to be a success, the staff at Army Headquarters and the Military Secretariat must work together in unison, and must possess a common knowledge of the questions in which they are mutually concerned. Under the present procedure, I doubt whether this harmonious co-operation is possible, . . . and the tendency of late, whether accidental or intentional, has been to relegate the Commander-in-Chief, with his Head-quarter staff, to the position of a subordinate adviser on military questions, whose opinions indeed are entitled to a certain amount of respect, but are liable to be overruled, even on matters which have no financial or departmental bearing, and without reference to the Viceroy, by the high officials through whom his Excellency's orders have to be obtained and communicated.

"The evils of this arrangement are palpable. First, all the work involving references between Army Headquarters and the Military Department has to be done twice over. . . . Another disadvantage of the system is the inherent tendency of one set of able officers, who are expected to review the recommendations of another set of equally able officers, to endeavour to prove why a certain course of action should not, instead of why it should, be followed. . . . The next question that arises is how the present unsatisfactory state of affairs can best be remedied. Change for the sake of change is to be deprecated; and as the principles on which the business of the Army in India is intended to be carried on are thoroughly sound, though their present application may in some respects be capable of improvement, they should, I think, be strictly adhered to."

Lord Roberts in a subsequent letter, after the case had been considered by Lord Lansdowne, accepted the changes in procedure proposed, and is of opinion now that, given good feeling on both sides, the arrangements can work smoothly. Sir George White, who is disposed to concur in this opinion, also wrote very strongly in 1896, after three years' experience of the Commandership-in-Chief, as to the difficulties he had experienced in the Military Department.

In 1898 Sir Donald Stewart, in a formal minute, proposed to ask the Government of India to "consider the desirability of excluding the Commander-in-Chief from the Council." In 1901 Sir William Lockhart expressed himself forcibly as to the difficulty he found himself in with regard to the Military Department, and Lord Kitchener at almost the outset of his career as Commander-in-Chief took the same view.

With one exception recent Viceroys have supported the retention of the Military Member. Lord Lytton, however, in commenting, in 1880, on the Ashley Eden Commission, accepting their view of the difficulty which existed, expressed very strongly his preference for the exclusion of the Military Member from the Council and the maintenance of the Commander-in-Chief. Lord Dufferin, eight years later, dissented from this proposal, and expressed himself in the direction of maintaining both officials. The present Viceroy, while strongly advocating the retention of the Military Member, equally strongly objects to the exclusion of the Commander-in-Chief, and even pressed that Sir Power Palmer, when *locum tenens* before the arrival of Lord Kitchener, should be admitted to Council.

Two things appear to the Committee to be established:—

1. That in recent years, owing to the special circumstances of the repeated changes in the Commandership-in-Chief and the illness of Sir William Lockhart, a greater responsibility has been taken by the Military Department; and that the so-called Military Member has tended more and more to become an expert adviser than a civil administrator.

2. That difficulties have from time to time been apparent between the two Departments: that though such difficulties have been

staved off temporarily by the good management of individuals, they are incidental to the system, and must continually recur under existing conditions.

The Committee, in arriving at these conclusions, have closely examined the points referred to by Lord Kitchener as forming an impediment to good administration. We fully recognise that a large number of these points arise on matters of detail, and that on questions of principle the Military Department have endeavoured to meet the proposals of the Commander-in-Chief in a practical and uncontroversial spirit. The fact that the re-organization scheme, for which Lord Kitchener is responsible, was dealt with by the Government of India and passed within a few months, and after no less prompt treatment at the India Office had effect given to it, refutes *per se* any suggestion of deliberate obstruction by the Military Department as representing the Government of India. But the instances given make it perfectly clear—

1. That the Military Department has recently formed the habit of giving authoritatively an independent opinion on purely military questions.
2. That the discussions ranging between the two Departments have been protracted unjustifiably.
3. That orders to the Commander-in-Chief, when given, and decisions adverse to his proposals, have been conveyed in many instances by the Military Department alone without reference to the Governor-General in Council.
4. That a spirit of opposition has grown up between the personnel of the two Departments, which is not conducive to the effective discharge of duty.

The Committee have taken into consideration two possible courses for amending the position. We have given a careful detailed consideration to Lord Kitchener's main proposal. We recognise that continual friction about details with another department may impose on the head of any department a heavier burden than would be entailed on him if he himself assumed the responsibility for the duties of that other department. We feel that to take from the Commander-in-Chief in time of peace the entire responsibility for the personnel of the service which he has to conduct in the field in time of war is undesirable.

We regard it as an established principle that officers, who have to take certain responsibilities in war under the authority of the Divisional or Army Corps Commander, should hold similar responsibilities under similar control in time of peace in order to obtain the necessary experience; and we think it necessary to put on record the fact that, although the system of the Indian Army can be made to accommodate itself to the needs of smaller campaigns, it has never yet been exposed to the strain of a general mobilisation.

Lord Kitchener assumes in his minute that the only way of meeting the difficulties that he complains of is to be found by the Commander-in-Chief assuming the whole of the duties now discharged by the Military Member. The Government of India, on the other hand, adduce strong reasons for believing that the system suggested by Lord Kitchener would be unworkable, although the Viceroy in a separate memorandum states "that any reasonable reform or re-adjustment in the system would be willingly considered." No such reform or re-adjustment was put before us by the Government of India. We have, however, considered two possible courses of action:—

1. The assumption by the Commander-in-Chief of the duties of the Military Member, except those of the Finance and Accounts Departments, which would be transferred to the Finance Member of Council. In the case of the adoption of a scheme

of this character we think it would be essential that the Viceroy should form a Military Committee or Committee of Defence presided over by himself, at which, besides the Commander-in-Chief, the presence of other officers should be obtained for the discussion of plans involving changes of organisation especially in relation to the Native Army.

2. The retention of the main duties of Supply, Contract, Military Works, Remounts, and other departmental services, with the control of the Manufacturing Departments under a Member of Council, who would stand, however, in a distinctly different relationship to the Commander-in-Chief from the present Military Member.

As regards proposal No. 1, we have been forced, after careful consideration to discard it. We invited opinions from past Viceroys, Commanders-in-Chief, and Military Members of Council, and we cannot doubt that the concentration of the whole responsibility of Supply of the Army under one head, if that head is to be the Commander-in-Chief, would be opposed to all modern principles in regard to Armies. It has become increasingly necessary of recent years for the Commander-in-Chief to control questions of military intelligence and organisation, and to spend even a larger time than heretofore upon the personnel of the Army. The greater amount of scientific attainment now required of officers necessitates a much more careful weighing of promotions, many of which have hitherto been given by seniority. Inspection, if it is to continue, by the Commander-in-Chief, means a great deal more than the perfunctory parades which were in vogue 30 or 40 years ago. The Commander-in-Chief requires to have his mind freed as far as possible from details, and, if he is in the last resort to be responsible for the making of contracts for boots and clothing, for negotiating the more rapid production of Army stores, and for settling disputes which may arise in the Manufacturing Departments, of which with even a well-trained staff he could scarcely divest himself altogether, it appears clear that too large a portion of his time will be diverted from his natural military duties.

A further difficulty arises in the fact that General officers are not as readily available in India as at home to attend meetings of defence or organisation, and that, being under the immediate personal command of the Commander-in-Chief, they have scarcely the requisite independence.

We come, therefore, to the second proposal. In our judgment it is necessary that the Commander-in-Chief in India, whoever he be, should be completely subordinate to the Viceroy and Governor-General of India. For this purpose it is not sufficient that a mere theoretical subordination should exist. It is desirable that in all questions of finance a practical control should be exercised, and that machinery should exist for seeing that questions which may have a political as well as a military character should be brought within the cognizance of the Viceroy in Council before action is taken. But we are forced to record our dissent from the feeling which underlies the despatch of the Government of India "that the military proposals of the Commander-in-Chief should be subjected to direct expert criticism." We are not aware of any other system in the world in which the soldier who is primarily responsible for the Army is brought face to face with a second soldier of less military reputation, and possibly of less experience, who is first to criticise his military proposals, has then an equal vote with him in Council, and finally conveys to him the approval or disapproval of his colleagues. If the so-called Military Member is to be regarded as competent to exercise this restraining influence on the Commander-in-Chief, it is worth recalling the fact that recently it has been the exception for a Military Member to receive an important Military appointment after vacating office.

Beyond this we point out that the Military Department has from various causes assumed a much more military character in the last few years than had formerly been the custom. The secretarial staff of the

Military Department, which used to contain 25 years ago a very small personnel, has now a Major-General as Secretary, and two officers with the rank of Colonel within it. The Military Member, who used until recently to sink his military capacity on all occasions, even to the extent of not wearing uniform, apparently no longer restricts himself in this respect. It would not be difficult to show how this change has permeated the whole system of military administration in India, and that it operates in certain instances very prejudicially is made clear by cases which have been brought before us.

It has, therefore, in our opinion, become incumbent on us to provide a machinery by which, while not imposing on the Commander-in-Chief duties which might equally well be performed by a well-trained Civil Department, and providing the Viceroy with efficient advice on matters of expenditure which might be over-hastily undertaken, or on measures which might be politically inadvisable, the official in charge of these duties should not administer his Department as a check on the Commander-in-Chief with regard to purely military questions.

A scheme to give effect to these suggestions has been worked out by a Sub-Committee, whose Report is appended, and which we generally propose to adopt. We think that great importance should be attached to the proposal to provide the Commander-in-Chief, if he happens to be an officer without any Indian experience, with two senior Indian officers upon his staff. The desire to obtain increased efficiency and proper training for a voluntary army involves a strain upon officers and men, whether in Great Britain or India, in excess of that which has previously been experienced.

The best military results cannot be obtained at times without a curtailment of holidays and recreation, or without calling for a certain amount of self-sacrifice on the part of all ranks. It is highly desirable, in an organisation like the Indian Army, that the measures which may be thought necessary for this purpose, should not be undertaken, or even indicated, without careful expert consideration at Headquarters. It is clear that the necessary precautions in carrying out such measures should not depend on the foresight of one officer in the military hierarchy alone; but it is also important that the Commander-in-Chief should not feel that all his measures are put forward tentatively, to be checked by minute criticism in another department after he has arrived at his opinion. He should be in a position to submit his schemes direct to the Governor-General in Council, which is not at present the case.

To sum up, the organisation now proposed will give the Commander-in-Chief a Staff which will make it possible for him to meet the more extended responsibilities which we propose to cast upon him. The Member in charge of Military Supply will have ample scope for his ability and energy in administering a Department which will be run on Civil lines with adequate Military knowledge. The cohesion between the two Departments should be secured by the re-establishment of the Mobilisation Committee as proposed by Lord Roberts, by which a large proportion of the nine or ten thousand letters, which now pass between the two Departments annually, would be rendered unnecessary.

These conclusions make it necessary that arrangements should be made by which Major-General Sir Edmond Elles, who is in his last year of office, should, without pecuniary loss to himself, be relieved of his duties as soon as may be convenient, but not later than the 1st October next, in order that an official who would restrict himself to the discharge of the duties contemplated for the re-organised Department should be appointed. We think it very undesirable that the Secretary in the Military Supply Department should be of higher rank than that of Colonel. It should, we think, be left to the Government of India to advise, as proposed by the Sub-Committee, whether any or all of the work done by the present Accounts Department should be transferred to the Finance Member of Council. Pending a

decision on this question the Accounts Department should remain as part of the Military Supply Department.

Our reply to the questions addressed to us in the terms of reference is consequently as follows:—

1. It is advisable that the strictly military portions of Army Administration should be under the exclusive control of the Commander-in-Chief, subject only to the Governor-General in Council; but the subsidiary Departments which are not of a purely military character, should, in our opinion, be left under the charge of another Member of Council.

2. It is not desirable that any Member of Council except the Commander-in-Chief should speak as an expert on military problems, pure and simple; but, subject to the conditions laid down in the Sub-Committee's report, we think that there should be another Member having charge of the business specified in that report, and sitting on the Governor-General's Council.

3, 4, 5, are answered by the Report of the Sub-Committee appended to this paper which we recommend for adoption.

26th May, 1905.

(Signed) ST. JOHN BRODRICK.
ROBERTS, F.M.
GEORGE S. WHITE, F.M.
JAS. L. MACKAY.
J. J. H. GORDON, General.
E. FG. LAW.
SALISBURY.
ARTHUR GODLEY.
E. STEDMAN, General.

Enclosure to No. 2.

Report of Sub-Committee appointed 8th May, 1905.

If it be desired to retain a Military Member in Council in charge of a Department, we consider it essential that his duties and functions and those of his Department should be clearly defined and distinguished from those with which the Commander-in-Chief and the staff at Army Headquarters may properly be charged.

In our opinion a guide to the proper line of demarcation can be found by considering what services appertain wholly or mainly to the personnel side of military administration, and what to the materiel side.

The Commander-in-Chief should be directly responsible to the Governor-General in Council for command, staff, and regimental appointments, promotion, discipline, training, organisation, distribution of the Army, intelligence, mobilisation, schemes of offence and defence, peace manœuvres, war preparation (excluding supply of materiel), and the conduct of war. As regards the Supply and Transport Department, in which matters of personnel and materiel are alike concerned, we think that the arrangement which has recently been made should be accepted. We think, also, that such materiel, ammunition, and stores as are required for mobilisation should be entrusted to a personnel directly responsible to the Commander-in-Chief.

The functions of the Military Department under the Member in charge should be limited to responsibility to Government for the control of Army contracts, the purchase of stores, ordnance, remounts, the management of

Military Works, the Clothing and Manufacturing Departments, Indian Medical Service, and Indian Marine. With regard to Army Finance, some of us are in agreement with the opinion expressed by Sir D. Barbour that the Military Accounts organisation should be transferred to the Finance Department, but we are not unanimous on this point. We are all agreed that it is necessary that the present organisation for Army accounting should be reformed under the advice of a strong committee with a view of simplification and reducing the personnel, and we think that the Government of India should be consulted on the general question of the future position of the Military Accounts Branch.

Apart from the apportionment of duties as indicated above, the procedure in conducting business between Army Headquarters and the Military Department is very important, since we believe that the friction which has occured of late years is due to the Military Department having become too powerful and busying itself unnecessarily about strictly Army matters. The Member in charge of the Department should realise that his duties are more of a civil than of a military nature, and that his business is to assist the Commander-in-Chief in his endeavours to render the Army in all respects fit for war, within the limits of financial considerations.

We deprecate the present system under which junior officers in the Military Department record their criticisms on the proposals of the Commander-in-Chief. We are strongly of opinion that neither the Military Member nor his Department should have the power to veto any proposal put forward by the Commander-in-Chief. The power of veto must rest exclusively with the Governor-General in Council, to be exercised only by the Governor-General in Council after due consideration. As a means of obviating friction, we think that it is particularly desirable that there should be personal conference between the heads of the Military Department and Army Headquarters. In this connection we think that more use might be made of the Mobilization Committee, as questions verbally treated by this body could be speedily decided with a minimum of correspondence and noting.

During the last five and twenty years there has been a considerable increase in the Staff of the Military Department, and the officers employed at present are of much higher rank that their predecessors in earlier years. If the arrangements which we have suggested are carried out, this will enable a reduction of Staff to be made which will go some way towards meeting the additional cost of the changes which we are about to recommend in the Army Headquarters.

The Member of Council in charge of the Military Departments should be the adviser of the Governor-General in Council on questions of general policy, as distinct from purely military questions. It would be desirable, in the event of the Commander-in-Chief being an officer of the British service, that the Military Member should be an officer of long Indian experience and administrative capacity, and intimately acquainted with the traditions and idiosyncrasies of the Native Army.

We consider that, under the arrangements proposed, it may be necessary to appoint an officer of superior rank as Chief of the Staff, and we think it should be laid down that, as vacancies occur, when the Commander-in-Chief is an officer of the British Army, two out of the three chief officers under him, Chief of the Staff, Adjutant-General, and Quartermaster-General, should be selected from the Indian Army, and that, when the Commander-in-Chief is an Indian Army officer, two of the three chief staff officers should be drawn from the British Army.

We think it essential that there should be a special officer for Secretariat duties at Army Headquarters to prepare cases and documents for direct submission to the Viceroy in Council, and to undertake correspondence with other Government Departments.

In the event of the absence of the Commander-in-Chief from the seat of Government, this officer should, when summoned, attend meetings of the Governor-General's Council, to submit papers, and to give such information and explanations as may be called for.

Finally, we submit for consideration the question whether the name of the Military Department should not be altered. It might more appropriately be called the Department of Military Finance and Supply, or, if Army Finance is transferred to the Finance Department, it might be known as the Department of Military Supply.

(Signed) ARTHUR GODLEY.
ROBERTS, F.M.
JAS. L. MACKAY.
J. J. H. GORDON, General.
E. FG. LAW.

E. STEDMAN, General.

No. 3.

From Viceroy to Secretary of State for India, dated 17th July, 1905.

(Telegraphic.)

I was about to recommend to you as first Military Supply Member, Major-General Sir E. Barrow, at present commanding Peshawur Division. He is one of the ablest soldiers in India, and would be acceptable both to Lord Kitchener and myself. New system will be confronted with great difficulties at start, and I can think of no one who would be so likely to overcome these as General Barrow. He knows of my intention to recommend him, and is now on his way to England on short leave. I suggest that you should see him. Appointment of any officer from home would, I fear, revive troubles which I hoped were subsiding.

No. 4.

From Secretary of State for India to Viceroy, dated 1st August, 1905.

(Telegraphic.)

I have been carefully considering your recommendation of General Barrow whom I saw yesterday according to your wish; but while fully recognising his great capacity, I am advised that this would find more appropriate scope either in the Frontier Command which he now holds or as Chief of the Staff, should you and Lord Kitchener think him fitted for that post and recommend him. This is also the view of the Cabinet who are not willing to appoint General Barrow. I hope to telegraph you very shortly the name of the officer we propose for Military Supply Department.

No. 5.

From Viceroy to Secretary of State for India, dated 2nd August, 1905.

(Telegraphic.)

Your telegram of 1st instant regarding General Barrow. It must be evident that I can only satisfactorily inaugurate new system with aid of military colleague in whose experience, judgment, and ability I have fullest confidence, and, further, that if Military Supply Member is to give general military advice to Governor-General in Council, as decided by His Majesty's Government, and explicitly reaffirmed by Lord Lansdowne in House of Lords yesterday, he should be an officer of highest position and qualifications. In these circumstances I may reasonably expect, first, that I should be allowed to suggest the officer whom I consider best qualified for these purposes; and, secondly, that in the absence of any strong reasons to the contrary, my suggestions should be favourably entertained. Your telegram disappoints my expectations in both these respects. You refuse to grant me the assistance of the officer whom I hold to be pre-eminently suited for task, and whom I selected with the knowledge that he could and would loyally co-operate in carrying out wishes of His Majesty's Government. In conveying your refusal you assign no definite reason, indeed, you recognise General Barrow's great capacity, but you speak of having received other advice. Surely the person most competent to advise you as to a Member of Viceregal Council is the Viceroy himself. General Barrow's name was put by me with full knowledge of Lord Kitchener, and after discussion of alternative names with him, he further expressed his intention to recommend General Duff as Chief of the Staff, to which I agreed, and if any contrary advice has reached you, I cannot accept its validity. Finally, you express your intention to appoint as my colleague in these very difficult circumstances an officer selected by yourself. I trust that, with these considerations before you, you will see fit to modify the views expressed in your telegram, and will thus enable me to accept a responsibility which I infer that His Majesty's Government still desire me to assume.

No. 6.

From Secretary of State for India to Viceroy, dated 4th August, 1905.

(Telegraphic.)

I have consulted the Cabinet again on the proposed appointment of General Barrow as Military Supply Member. The new Department to which we have the sole responsibility of making an appointment has, after long consideration, been placed on a different footing from the present Military Department. We have in consequence with great regret accepted General Elles's resignation, and we cannot favour the selection of an officer who from the positions he has previously held can hardly be expected to inaugurate the new system with an open mind. We believe that no officer occupying an important command, and likely to hold higher combatant positions, has been appointed to the Military Department since Sir Donald Stewart, who held the position for a few months in 1880. The appointment of Lord Roberts, when suggested in 1881, was negatived by Lord Hartington.

Although the selection of Members of Council rests with me, I have already deferred to your views twice this year, when no point of principle was involved, and I have no desire to nominate any one who is not personally agreeable to you. But it would not be reasonable for a nomination to be made which is in opposition to our expressed intentions, more especially when the officer in question would naturally hold a command in the field in war.

Lord Lansdowne, who knows and thinks highly of General Barrow, feels that in present circumstances his appointment as Military Supply Member would be inexpedient.

I do not gather from your reference to Lord Kitchener that he recommended General Barrow, but that he knew of your intention to recommend him.

The opinion of my Military Advisers here is that we shall do well to choose a Military Supply Member with some technical experience which would stand him in stead in the heavy charge of the Manufacturing Departments. Will you consult Lord Kitchener as to who in his opinion is the best man for the post, and let me have his views. We will willingly consider any names you and he desire to put forward.

You will see from the above that I am not anxious to press upon you any man you do not approve, but having, greatly against our will, been forced to deal with this vexed question of Army Administration, we must avoid any appointment which would in our opinion tend to reproduce previous difficulties.

No. 7.

From Viceroy to Secretary of State for India, dated 5th August, 1905.

(Telegraphic.)

In reply to your telegram of 4th instant, again refusing my request for services of General Barrow as Military Supply Member, and requesting the Commander-in-Chief's views as to officer best qualified for that post, I have to make the following representation. Lord Kitchener did not, and does not, consider it any part of the duty of the Commander-in-Chief to recommend to Secretary of State a Member of the Viceregal Council, an appointment for making which you have asserted sole responsibility.

I have carefully considered arguments contained in your telegram, and am regretfully compelled to authenticate my former views. I can assure you that I do this from no desire to continue a controversy, strain of which has now lasted without interruption for eight weeks, and which I have no longer the strength to endure, but because it is apparent from your telegram that His Majesty's Government deny me the confidence which alone can enable me to serve them with any advantage, and that they attach fundamentally different interpretation from myself to modifications which they accepted on 14th July, and upon acceptance of which alone I consented to remain in office. Chief point of those modifications was that Military Supply Member should not merely be purveyor of stores, with relatively inferior status and prestige in our administration, but that he should be qualified, in words of your own Despatch and as re-affirmed by Lord Lansdowne in House of Lords, to give advice on questions of general military policy to Governor-General in Council. Nevertheless, you now

propose to reject General Barrow who possesses these qualifications in an exceptional degree, you suspect him of not possessing an open mind because he formerly served in Military Department, although you were willing to offer his services to Lord Kitchener as Chief of the Staff, and you plainly indicate the type of officer whom you desire, by stating that he should be chosen for technical experience of Military stores and supplies, an experience which could not be expected to constitute him a qualified Military Adviser of Government of India on general questions, but which General Barrow among his many attainments happens also to possess in an unusual degree. Position is therefore, in principle, almost exactly where it was when I resigned in June, and the main conditions which caused me to resign on that occasion have again been called into being.

Finally, let me state my own position. His Majesty's Government desire me to introduce a new system of military organisation into India. This will be, and already is, a task of enormous difficulty. They are aware that I have only undertaken it from a sense of public duty, and they have had it in their power to accept my resignation at any time for two months and to place the task in other hands. The only conditions upon which I can carry out their policy, as they publicly stated in Parliament their belief in my desire to do, are that I should receive their support and be allowed the co-operation of the officer whom I consider best qualified for the purpose. If this is refused to me I cannot accept any further responsibility for the discharge of the duty, and a new Viceroy should be asked to attempt it.

I shall be obliged if you will place this representation before His Majesty's Government, and if they are unable to accept it I respectfully request Prime Minister to place my resignation at once in the hands of His Majesty the King.

No. 8.

From Secretary of State for India to Viceroy, dated 8th August, 1905.

(Telegraphic.)

Prime Minister desires me to forward you the following telegram:—

"His Majesty's Government have received your telegram with extreme regret. With every desire to meet your wishes they are unable to understand your position, and earnestly desire you to reconsider it.

"You charge us with 'rejecting' General Barrow for a place on the Council. It must, however, be remembered that the duty of advising the King on the choice of Members of Council rests solely with the Secretary of State, and that no greater violation of the Constitution can well be imagined than that this duty should degenerate into a merely formal submission to His Majesty of the views and recommendation of the Viceroy. We think you will admit that no Viceroy has been treated with more anxious consideration in respect of appointments to the Council than yourself by the Secretary of State.

"We agree with you in holding that it is no part of the duty of the Commander-in-Chief to 'recommend' Members for the Council. But we cannot think that in requesting you to ask Lord Kitchener's opinion on the qualification of a Member of Council who is to be a soldier, we did anything of which either the Commander-in-Chief or the Viceroy has reason to complain.

"We gather that General Barrow has no great liking for the system which you wish him to administer, and would prefer an office which would not withdraw him from a distinguished career of active service. Anxious therefore as we are to make your task a light one, it does not seem that General Barrow's appointment would be the most effectual method of attaining that end.

"The Government are most desirous of working cordially with you. We are confident that you will agree with us in holding that the Secretary of State cannot divest himself of the responsibility for recommending the high official who is to carry out the policy which you have explicitly accepted; and we believe that there ought to be no difficulty in finding an officer who, by inclination as well as by duty, would be disposed to, work the new system smoothly and successfully."

No. 9.

From Viceroy to Secretary of State for India, dated 10th August, 1905.

(Telegraphic.)

Your telegram, 8th instant, communicating Prime Minister's views. I return my grateful thanks for expression of desire of His Majesty's Government to make my task a light one, and I accept unreservedly constitutional position as defined by Prime Minister. It will also not be denied that Viceroy is constitutional adviser of His Majesty's Government on all matters touching Indian administration, from which can scarcely be excluded the choice of colleagues with whom he is called upon to work. I recommended General Barrow in accordance with this conception of my duty, and when I spoke of his rejection I meant rejection of earnest request of Viceroy, twice repeated, for services of a particular colleague at a most exceptional juncture. I regret that I have failed to make my position clear to His Majesty's Government. I will now respectfully endeavour to explain it. My object in proposing modifications which were accepted by His Majesty's Government was that Government of India should possess second Military Adviser who should be a member of Government with a charge befitting his position and responsibilities. Hence it followed that Military Supply Department should be a substantial Department of Government, and that member should possess requisite authority and qualifications. In my telegram of 5th August I inquired whether this view was accepted by His Majesty's Government, since their suggestion of particular type of officer described in their telegram of 4th August seemed to be inconsistent with it. To this vital question I have not been favoured with any reply, and the ambiguity which remains is principal source of the difficulties with which we are still confronted, and to which I alluded in third paragraph of my telegram. I can perhaps best indicate their nature by summarising proposals which have now been placed before us by Commander-in-Chief for carrying out orders of Secretary of State. These proposals have not yet been circulated to my colleagues, or noted upon by me. But they will serve better than any other argument to explain what is real source of present difficulty, why I asked for support of His Majesty's Government, and why I attach so much importance to selection of a particular officer as my colleague.

The Commander-in-Chief's proposals are as follows:—

(1.) All stores, whether mobilisation or peace, to be transferred to Commander-in-Chief.

(2.) The Director-General of Ordnance and 44 officers, with all arsenals, to be transferred to Commander-in-Chief, leaving

Inspector-General of Ordnance Factories and 25 officers under Military Supply Department, the whole to be administered by Director-General of Ordnance.

(3.) In Supply and Transport Department, Military Supply Member only to superintend contracts and registration, with 55 officers. Commander-in-Chief to control everything else with 218 officers.

(4.) Army Remount Department to be transferred to Commander-in-Chief, Military Supply Member only to purchase horses with a borrowed officer.

(5.) Existing Staff at Army Headquarters to be increased by Chief of Staff, one Brigadier as Director, three Assistant Adjutant-Generals, and three Deputy Assistant Adjutant-Generals.

(6.) Army Department to contain a branch of Financial Department under a new Civilian Financial Secretary to Government with two Assistant Secretaries, the Commander-in-Chief also to have a separate military honorary adviser. Total strength of the finance section, including accounts, nine officers, 63 clerks.

(7.) New Secretary to Government in Army Department to have no functions beyond conducting correspondence with Secretary of State and Local Governments and signing papers.

(8.) Rules of business for Army Department to convert leading Staff Officers of Commander-in-Chief into officers of Government of India, with power to convey orders of Government excepting orders sanctioning expenditure.

(9.) Total strength of Army Department, exclusive of finance section, to be 63 officers and 268 clerks.

(10.) Military Supply Department to consist of three officers and 16 clerks, subordinate officers at headquarters, 13 officers, 76 clerks.

(11.) Military Supply Member not to criticise opinions recorded by Commander-in-Chief on military questions.

It is estimated that under these conditions Military Supply Member will not have two hours work a day. Whatever may be merits of individual proposals in above list, their net result can only be to concentrate all military power in hands of Army Headquarters, to lead to serious congestion of business, and to reduce Military Supply Department to impotence. Indeed, in these circumstances creation of Military Supply Member would involve an unpardonable waste of public money, and it would be better to dispense with Department altogether. Proposals, moreover, while professing to be based upon Secretary of State's Despatch are almost indistinguishable from original scheme contained in Commander-in-Chief's minute, which was rejected by His Majesty's Government. Finally, they appear to me to be wholly inconsistent with conception of functions of Military Supply Member to which I have referred. I hope that this explanation will have made clear necessity of appeal which I addressed to His Majesty's Government on 5th August. If Commander-in-Chief's point of view is to prevail, it is useless for me to remain in India, since I could not frame scheme in accordance with it. If, on the other hand, I am desired to pursue matter, I must again ask for assurance of continuous support from His Majesty's Government, and, more particularly, I shall need the future co-operation of a colleague as Military Supply Member whom I know and can trust. I have asked for General Barrow, not with least idea of encroaching upon constitutional prerogative of Secretary of

State, but because he is the only officer known to me who possesses requisite qualifications. In his interview with me he cordially and unreservedly accepted my proposed submission of his name, although he might well entertain misgivings as to difficulties of task. In reply to His Majesty's Government's assurance of their desire to work cordially with me and to meet my wishes I have now ventured to indicate manner in which their support will be most helpful. Otherwise I feel that any further labour on my part must be fruitless, and I would again earnestly plead relief from a position which I could not conscientiously or usefully continue to fill.

No. 10.

From Secretary of State for India to Viceroy, dated 11th August, 1905.

(Telegraphic.)

I have brought the views which you have fully stated in your telegram of the 10th August before the Cabinet, and am glad that you accept unreservedly the constitutional position as defined by the Prime Minister. We are willing at all times to hear the views which the Viceroy may privately tender, but it is evident that, should the Viceroy, having made a recommendation to an appointment which it is the Secretary of State's duty to fill, enforce it by proffering his resignation if the appointment be not made, the authority vested constitutionally in the Secretary of State would pass to the Viceroy.

It was entirely from a desire to meet your wishes that we requested you in my telegram of the 4th August to consult Commander-in-Chief as to what officer other than General Barrow might be most suitable for the post of Military Supply Member. As regards that officer, the Cabinet as you are aware have decided not to appoint him. We desire to appoint as Military Supply Member an officer of standing who not only has special experience fitting him for the work of the Department as now constituted, but who is not in the line of probable promotion to the highest posts of a purely military nature, and who is therefore not looking to employment in the field in case of war. Any officer with long experience in India so appointed should be able to give valuable guidance if referred to; but we hold that the Mobilisation Committee, which it was proposed to establish in paragraph 22 of the Despatch of the 31st May, the province of which has since been clearly laid down as including all important changes in military organisation, conditions of service, or customs affecting Native Army, and to which it was proposed to summon any officers whose advice might be desirable, will furnish the Viceroy with far more valuable advice on the Commander-in-Chief's proposals than could be furnished by any single individual. Moreover, we hope that, as in the case of the Prime Minister on the Defence Committee at home, the Viceroy on important questions may find himself able to preside over the deliberations of such a Committee.

You will understand that it is impossible for us to contemplate a return to the *status quo ante*, and, if the consideration of these questions can only be limited both by yourself and Lord Kitchener to carrying out the spirit of the despatch of the 31st May, to which we are prepared strictly to adhere, we apprehend no difficulty in arriving at a thoroughly workable conclusion. But in regard to the difficulties in which you find yourself, you hardly, I think, make allowance for the position in which we have been placed on this side. After the most exhaustive consultation by the Secretary of State

with all authorities on the subject in this country, a policy has been laid down as to which you publicly expressed strong views of dissent. We have on our part accepted your declaration of the "utmost desire to carry out our policy loyally," and it is important that nothing should now be proposed which might appear to re-establish the old conditions.

We agree with you that further controversy over the settlement is inadvisable, and we earnestly hope that we may rely on you to meet our views in the working out of the necessary details.

No. 11.

From Viceroy to Secretary of State for India, dated 12th August, 1905.

(Telegraphic.)

I have received your telegram with much regret. With regard to the constitutional point, His Majesty's Government know well that I only urged appointment of a particular officer to assist me in carrying out their policy with greatest chance of success. Main question, however, is one not of choice of an individual, but of principles underlying future change in our administration. Upon this point I have repeatedly pressed for clear intimation of views of His Majesty's Government, since, without a common understanding here and in England, new system cannot be constructed, much less survive. I also asked for definite support of His Majesty's Government in effort to shape new organisation in accordance with what I believed their views to be. In reply, I have failed to receive either the information or the assurance which I sought, and I am reluctantly driven to the conclusion that the policy of His Majesty's Government differs fundamentally from what I thought had been agreed upon with the Government of India, and is based on principles which I could not conscientiously carry into execution. In these circumstances my ability to act with advantage as head of the Indian Government has ceased to exist, and I beg you again to place my resignation in Prime Minister's hands. In interests of new organisation, which I am now powerless to introduce, it is desirable that I should be relieved of my duties with as little delay as possible. Prorogation of Parliament having prevented any statement from being made, I request that recent telegraphic correspondence be made public in order to explain circumstances which have led to my resignation.

No. 12.

From Secretary of State for India to Viceroy, dated 16th August, 1905.

(Telegraphic.)

Following telegram from Prime Minister to Viceroy:—

"Your telegram 12th August. We hoped that principles underlying proposed change in Military Administration had been made clear in Despatch of 31st May, as well as in other communications; that no

assurances were required to prove the desire of His Majesty's Government to give you all the support necessary to carry this change into effect; and that in any case assurances had been explicitly given.

"But if after all that has passed you still re-iterate your request to be relieved of your office, I know not how to combat further what I take to be a fixed resolve, and have, therefore, with the profoundest regrets, communicated your wishes to the King.—A. J. BALFOUR."

No. 13.

From Secretary of State for India to Viceroy, dated 16th August, 1905.

(Telegraphic.)

I have learned your decision to resign with very deep regret. Throughout your administration, since your appointment as Governor-General in 1898, my colleagues and I have endeavoured to give you constant support in the many measures of administrative reform which you have initiated, including the partition of Bengal, upon which we recently adopted your proposals.

I have always been anxious to defer to your judgment in regard to appointments wherever possible, and during the present year have accepted your nominations to two posts on your Council, for the appointment of which I am constitutionally responsible.

We have, moreover, spared no pains during the last twelve months to arrive at a satisfactory settlement of the difficulties which arose within your Council between Lord Kitchener and General Elles, and on which you have seriously differed with Lord Kitchener.

The procedure adopted by agreement between the Prime Minister and yourself in considering these differences has led to a modification of the present system, which, as it was agreed upon unanimously by a strong Committee in this country, including Lord Roberts and Sir George White, as well as by the Council of India and the Cabinet, we had hoped would be accepted by the contending parties in India.

We read with great concern the terms of your pronouncement on 18th July, but we maintained our reliance on your expressed desire to carry out our policy loyally. In subsequent correspondence you have diverged from the views of His Majesty's Government, and have nominated and pressed upon us for appointment to the new department an officer who has served eight years in the Military Department under the old system, and who would be withdrawn from a combatant career to act as a check on the Commander-in-Chief.

This appointment being in the view of His Majesty's Government likely to cause a renewal of friction, you were invited to confer with Lord Kitchener and suggest the name of some officer who might be acceptable to both parties, but this you did not see your way to do.

The appointment is vested by law in His Majesty, and it is my duty, when advising him, to consider the matter under all its aspects, and with the assistance of the best advice which can be obtained from all available sources. His Majesty's Government are prepared strictly to adhere to the principles underlying recent changes in Army Administration stated in Despatch of 31st May and in my telegram of 14th July, and we shall deal in the spirit of those Despatches with any proposals submitted. We cannot

be indifferent to the means by which these changes are to be carried out. We were aware that our views on this point might not be in accordance with yours, but we believed nevertheless that you had accepted our decision and were prepared unreservedly to carry it into effect.

We have been forced with great reluctance to conclude from your recent telegrams that this is not the case, and I do not see how it would be possible to meet your views without going back on a policy which does not rest on any personal opinion, but which has been decided upon after exhaustive consideration by those best qualified to advise us.

We see no objection to the publication of the telegrams which have recently passed, and I propose also to publish the report of the Committee which sat at the India Office.

No. 14.

From Secretary of State for India to Viceroy, dated 16th August, 1905.

(Telegraphic.)

From the communication made by Lord Kitchener to the "Times," published 14th August, His Majesty's Government fear there is some misunderstanding as to his views in regard to questions recently under discussion between us.

You will, I am sure, agree with us that it is essential, if we are to publish telegrams, that their accuracy should not subsequently be challenged. Please therefore show all telegrams which it is proposed to publish, and also this telegram, to Lord Kitchener, and inform us of any correction or remarks which he may wish to make with regard to his own opinions.

No. 15.

From Viceroy to Secretary of State for India, dated 18th August, 1905.

(Telegraphic.)

Your telegram of 16th instant. I do not quite follow inference drawn by you from Lord Kitchener's communication to "Times." That communication is in accordance with facts, and was intended to correct popular misapprehension of a published telegram. I have, however, gladly shown to Lord Kitchener whole of telegrams specified by you. He has suggested that in my telegram of 17th July for the words "would be acceptable both to Lord Kitchener and myself" should be substituted the words: "I am under the impression he would be acceptable to Lord Kitchener as well as myself." I have no objection to this suggestion. I am addressing you in a separate message about my telegram of the 10th instant.

No. 16.

From Viceroy to Secretary of State for India, dated 18th August, 1905.

(Telegraphic.)

I have shown to Lord Kitchener my telegram to you of 10th August, and I report his opinion in his own words. He repudiates the description of his proposals contained in summary, and cannot concur in subsequent remarks about Military Supply Department. I should sincerely regret if I had misconstrued Commander-in-Chief's intentions. But my summary was based upon most minute and careful scrutiny of his formulated views and proposals by the expert military officers of Government, and after renewed examination of the papers I am unable to recede from the interpretation which I gave.

No. 17.

From Viceroy to Secretary of State for India, dated 18th August, 1905.

(Telegraphic.)

I had hoped after receiving Prime Minister's gracious telegram of 16th August that there would be no further call for remarks from me. I am compelled, however, to notice certain points in your subsequent telegram which do injustice to my position.

Your second paragraph suggests that I was in some way a party to proceedings which led to recent decision upon military questions. I have no responsibility for any step at any stage beyond representation to Prime Minister in November last that, if His Majesty's Government desired question to be examined by Government of India, constitutional method would be to ask our opinion by despatch. When I left England His Majesty's Government were fully aware that I disagreed wholly with proposals to change our military administration, and it was with that knowledge in their possession that I was permitted to return.

You observe that, after expressing every desire to carry out loyally the policy of His Majesty's Government, I have diverged from their views, and am not prepared unreservedly to carry them into effect. I must repudiate this charge. I loyally commenced undertaking. It was only when I realised that His Majesty's Government's interpretation of the modifications differed so materially from that of the Government of India, and that in conflicts which were certain to arise between Commander-in-Chief and rest of Government of India in shaping his proposals, I could not confidently rely upon that support from His Majesty's Government which had been denied to us at earlier stage, that I had no alternative but to resign.

With regard to your opening remarks, I am not now concerned to speak of the earlier years of my administration, but looking back upon more recent events I reflect with sorrow how little justification there has been for the claim which you make of having rendered me constant support.

No. 18.

From Secretary of State for India to Viceroy, dated 19th August, 1905.

(Telegraphic.)

I have no wish to trouble you with a further telegram, but beg to assure you there was no desire whatever to do injustice to your position, and that, in reference to the misunderstanding to which you refer, my telegram of 16th August, like all previous telegrams on this subject, was sent with the full concurrence of the Prime Minister.

EAST INDIA (RECONSTITUTION OF THE PROVINCES OF BENGAL AND ASSAM).

PAPERS

RELATING TO THE

RECONSTITUTION OF THE PROVINCES

OF

BENGAL AND ASSAM.

Presented to both Houses of Parliament by Command of His Majesty.

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No. 1.

Letter from H. H. Risley, Esq., C.I.E., Secretary to the Government of India, to the Chief Secretary to the Government of Bengal.

No. 3678, DATED CALCUTTA, THE 3RD DECEMBER 1903.

I AM directed to address you on the subject of the desirability of reducing the territorial jurisdiction of the Lieutenant-Governor of Bengal with the object of lightening the excessive burden now imposed upon the Government by the increase of population, the expansion of commercial and industrial enterprise, and the growing complexity of all branches of the administration.

2. As long ago as 1868 Sir Stafford Northcote drew attention to the greatly augmented demands that the outlying portions of Bengal appeared to make on the time and labour of those concerned in the government of the province. He referred to the famine of 1866 as furnishing evidence of the defects of the existing system of government when exposed to the ordeal of a serious emergency, and, among other methods of relieving the overtasked administration, he suggested the separation from Bengal proper of Assam and possibly of Orissa. In the discussions that followed the question was very thoroughly examined by a number of high authorities, and eventually it was decided that Orissa should remain attached to Bengal, but that Assam proper and certain other districts on the north-eastern frontier of Bengal should be formed into a separate Chief Commissionership directly under the Government of India. At the time when this decision was arrived at the population of Bengal as then constituted was believed to be between 40 and 50 millions. The Census of 1872 showed it to be nearly 67 millions. With these figures before him Sir G. Campbell said, as Sir William Grey had said five years before, that the territories under the Lieutenant-Governor of Bengal were more than one man unaided could properly govern. Since then the population of Bengal, as it now stands, has risen to 78½ millions, and this increase has been accompanied by a considerable development of the material resources of the country, and a great extension of railways and other means of communication, while the spread of English education and the wider diffusion of the native press tend to increase litigation, to demand more precise methods of administration, to give greater publicity to the conduct of officials, and in every way to place a heavier strain upon the head of the Government and upon all ranks of his subordinates. In the opinion of the Government of India, the time has come when the relief of the Bengal Government must be regarded as an administrative necessity of the first order. And that relief can be afforded, not, as has been suggested on several previous occasions, by organic changes in the form of government, but only by actual transference of terrritory. It is unnecessary to refer to the circumstances which have brought about the great concentration of peoples (with a corresponding growth of administrative problems) in the deltaic regions that constitute the greater part of Lower Bengal. The fact is sufficient that at the present time the Lieutenant-Governor of Bengal is called upon to administer an area of 189,000 square miles (151,000 British territory) with a population of 78,493,000 (74,744,000 in British territory) and a gross revenue of 1,137 lakhs (land revenue 505 lakhs).

3. The Government of India believe it to be beyond dispute that this is too heavy a burden for any one man, and that it cannot be adequately discharged save at the expense of efficiency. A Lieutenant-Governor of Bengal, if he spent the whole of the available season of the year in touring, could yet only succeed, during his term of office, in visiting a portion of his vast charge. As a matter of fact, it will commonly be found that places so important as Chittagong, Dacca, Cuttack, and Ranchi receive not more than

a single hurried visit within the five years. The Lieutenant-Governor is generally expected to be in Calcutta during the winter months, from November to April, and there his time is taken up not only by social duties, which are onerous and which tend continually to increase, but by official or ceremonial functions in which he is called upon to play a leading part; while personal interviews occupy a large portion of his time. He is only able to undertake short and hurried excursions in his province at this, which is the most favourable season of the year; and the time that he devotes to his departments and to provincial administration is constantly being encroached upon by great municipal and other problems. In the remaining seasons of the year he is unable to make up the deficit for which Calcutta has been responsible. The result of both these features, viz., the hurried and necessarily incomplete tours of the Lieutenant-Governor through his province, and his overwhelming pre-occupations while he resides in the capital, is that in Bengal the work of government has come to be less personal in its character than in any other Indian administration. Anywhere in India this would be a grave defect, but it is worst of all in a province where already, owing to the existence of the Permanent Settlement there is wanting that link of close knowledge and mutual understanding between the district officer and the people that is supplied by an intimate familiarity with the Land Revenue settlement and administration. Thus in the province where personal rule is perhaps most required, there is least of it, and where the officers know least of the people, the Government knows least of its officers. This is a state of affairs that cannot be revolutionised in a moment, and perhaps cannot be revolutionised at all. But the one course that is practicable is to reduce the gravity of the mischief by curtailing its extent, and to afford the opportunity for increased contact between the administration and the people by easing the former's burden. Already in 1874 the same line of reasoning led, in spite of many contemporary protests, to the severance of Assam from Bengal. The result has undoubtedly been beneficial to both parties, and the experiment has been justified. The time has now come when it should be repeated on a larger scale. No question of loss of prestige or even of temporary sacrifice of advantage ought to stand in the way of a statesmanlike and far-sighted handling of the question. As in 1874, the main criterion of the action of Government should be the good of the districts and the people whom it is proposed to transfer, but behind this stands the paramount consideration that transference on a large scale has become an absolute necessity.

4. This curtailment can be effected only in two directions. The neighbouring provinces to Bengal are the United Provinces on the North-West, the Central Provinces on the West and South-West, Madras on the South, and Assam on the North-East and East. Proposals to take away Behar and add it to the area now known as the United Provinces have been put forward in former days, but are not now likely to be revived. Moreover, the Government of the United Provinces, with 112,000 square miles (107,000 British territory) and 48,493,000 people (47,691,000 in British territory) to administer, has already in respect both of area and population a sufficiently heavy charge. Nor would the Government of India propose (apart from special reasons connected with the circumstances of the border districts) to add to the area or responsibilities of Madras. That Government is fully occupied with 151,000 square miles (141,000 British territory) and 42,397,000 people (38,209,000 in British territory).

5. There remain, then, the Central Provinces and Assam. Both are young and growing administrations, capable of sustaining a heavier charge. Both will profit rather than lose by an increase of responsibilities. It is in these two directions that relief to Bengal must be sought and a readjustment of boundaries applied.

6. In considering the question of possible transfers of territory from Bengal to the Central Provinces, the Governor-General in Council will deal first with the relatively less important area of Chutia Nagpur. Chutia Nagpur consists of five British districts and a number of Tributary Mahals, ruled by small Native Chiefs. The total area is 43,000 square miles (27,000 British territory), population 5,901,000 (4,900,000 in British territory),

land revenue of British districts 7½ lakhs. A large proportion of the inhabitants of this country consists of comparatively primitive people of aboriginal descent, who supply labourers to the coal mines of Bengal, the tea plantations of the Western Duars and Assam, and the jute or cotton mills on the Hughli. As far back as 1887, it was suggested that Chutia Nagpur should be transferred to the Central Provinces, but the proposal excepted the two districts of Hazaribagh and Manbhum, the former bordering upon Behar and the latter upon Bengal, because of their greater affinities with Bengal characteristics. If Hazaribagh and Manbhum are both deducted from the area to be transferred to the Central Provinces, then the latter would receive in British territory 15,800 square miles and 2,421,000 people. If Manbhum alone is left to Bengal, the transfer to the Central Provinces would affect 22,000 square miles and 3,599,000 people. Bearing in mind the imperative necessity of affording relief to Bengal, the Government of India are disposed, other things being equal, to advocate the transfer to the Central Provinces of the larger rather than of the smaller area. On this question I am to invite a full expression of the Lieutenant-Governor's opinion.

7. The arguments in favour of the transfer may be briefly summarised as follows:—

(i) In character and state of development the people of Chutia Nagpur correspond much more closely with those in the Central Provinces than with the population of Bengal.

(ii) The Bengal form of administration is too highly developed, too legalised, and too impersonal for backward tracts and primitive hill-tribes. This view is borne out by the experience of a series of outbreaks in recent years and by the difficulties met with in dealing effectually with the land tenures of this part of the province.

8. The considerations on the opposite side may be stated thus:—

(i) It will probably be represented that Chutia Nagpur is one of the few attractive divisions in Bengal, the stations of Ranchi and Hazaribagh being situated 2,000 feet above the sea and possessing considerable climatic advantages. The Bengal Government will doubtless not fail to give to this view the importance to which it is entitled; but it is clearly not one that should exercise a determining effect in the decision of the Government of India.

(ii) There is a further argument that may perhaps be used in favour of leaving the District of Hazaribagh with Bengal. This is the existence in that district of some of the most valuable present or prospective coal-fields of Bengal (*e.g.*, Karharbari and Karanpura). The connection of this industry lies almost exclusively with Calcutta, and therein may be found a possible reason for the continuance of the present administrative tie. It is conceivable that the solution may be found in transferring a portion only of the district, so adjusted as to leave the principal coal-fields with Bengal. The same argument is capable of being used, although with less force, of the District of Palamau (containing the coal-field of Daltonganj); and the Lieutenant-Governor will know what value to attach to a plea for the association of these northern districts of Chutia Nagpur with Behar.

(iii) It may also perhaps be urged that Ranchi is nearer to Calcutta than to Nagpur, and that difficult ranges of hills separate Chutia Nagpur on the west from the Central Provinces. The fact is that Chutia Nagpur is more or less inaccessible from most directions. No administrative re-arrangement can for the present alter this material fact. What the Government of India are concerned with, however, is the relief of its administrative rather than its physical isolation. If the people cannot be brought nearer to Government, it is at least desirable to bring Government nearer to them.

9. On a careful consideration of the foregoing arguments the Government of India are disposed to favour the transfer of Chutia Nagpur (except the District of Manbhum, and possibly part or the whole of Hazaribagh) with its Tributary Mahals to the Central Provinces. The only modification in this arrangement that may be required will be contingent upon the decision that may be arrived at concerning the Uriya-speaking peoples. If these are all to be concentrated, as is proposed below, in a single tract to be administered, not by the Central Provinces but by Bengal, then (supposing geographical conditions to render this practicable) it may be desirable to exclude such Uriya-speaking elements as there are in Chutia Nagpur, and to leave them with Bengal. They are contained almost exclusively in the District of Singbhum, where there are 100,000 Uriya-speaking people out of a total population of 613,000. In the centre of that district 235,000 people speak a Munda language, named Ho, which in course of time will probably give place to Uriya. The retention of Singbhum by Bengal would be facilitated by the existence on its eastern border of the large Bengali thana of Ghatsila (220,000 population).

10. I am next to pass to a discussion of the case of Orissa. The total area of Orissa is 24,000 square miles (9,800 British territory), population 6,290,000 (4,343,000 in British territory), land revenue 28 lakhs. A glance at the map will show that, while under existing conditions Orissa is somewhat of a projection from the south-western corner of Bengal, if the proposals already made as regards Chutia Nagpur are carried out, its physical detachment from the remainder of that province will be still more pronounced. These circumstances, added to others which will be mentioned, have always brought the case of Orissa under examination when the question of relief to Bengal has been raised, and its transfer to the Central Provinces has been suggested on several occasions. The reasons urged in favour of the change are the same now as they were then. They may be stated and criticised as follows :—

(i) There is a historical connection between Orissa and the Maratha tracts of the Central Provinces. This argument might be of some use as supporting other considerations that pointed in the same direction. But it will be generally admitted that it has no independent value, since the question now under consideration is concerned not with ancient history, but with present and future needs.

(ii) Orissa is a temporarily settled area (as are the whole of the Central Provinces), while the remainder of Bengal, with the exception of certain tracts in Chittagong which will probably be transferred, is under the Permanent Settlement. This is a very weighty consideration, and the Government of India do not underrate its value. But in the present situation, wider considerations even than those of Land Revenue settlement and administration must prevail.

(iii) The national tongue of Orissa is Uriya, and as Uriya is the language spoken by $1\frac{1}{2}$ millions of people in the Central Provinces (mainly in Sambalpur and the attached States), therefore it may be contended Orissa ought to be joined to the Central Provinces. The argument from language is, however, equally capable of being used as a still more convincing plea for the union of the smaller Uriya-speaking area with the larger; and it is in this sense that it will presently be employed.

11. On the other hand, the reasons which have always hitherto prevailed against the transfer are as follows :—

(i) Orissa has been for close upon a century under the Bengal administration. The prescription of a century is difficult to break, though not insurmountable. It is believed to be accompanied in the case of Orissa by a very strong feeling on the part of the educated and commercial classes in favour of the existing arrangements. This again is a condition that is capable of being overruled, but that requires a strong case of probable advantage to the severed unit in order to justify the change.

(ii) But in the case of Orissa the strongest argument against any such probable advantage is to be found in the recent completion of the East Coast Railway, which has now brought the province into far closer connection with Calcutta than would ever be possible with the Central Provinces. Cuttack, the capital of Orissa, is distant only 12 hours from Calcutta as against 30 from Nagpur, and even if a connection were made *viâ* Sambalpur, the latter distance would only be reduced by about ten hours. In these circumstances, Orissa now receives from Bengal a degree of attention that it could hardly expect to obtain from the Central Provinces; while the completion of the railway has greatly strengthened the commercial links that already attach the internal and maritime towns of Orissa with Calcutta.

(iii) The argument has sometimes been employed on paper that it would be a good thing to provide the Central Provinces with a maritime outlet. But it is weakened in this case by the fact that Orissa possesses no harbour that is capable of being turned into a port, Chandbally, the only possible claimant, being difficult of approach and comparatively unfrequented.

The balance of argument, as thus stated, appears to the Government of India to be on the whole decisive against the transfer of Orissa to the Central Provinces; although it is not desired to arrive at a final opinion, until the views of the Local Government, who are in a better position to represent local interests and necessities, have been fully heard.

12. The future of Orissa will not, however, be determined exclusively by a consideration of the points that have already been put forward. Other and wider issues are, in the opinion of the Governor General in Council, involved. They embrace questions of race and language, in addition to or apart from the more arbitrary distinctions of administrative or territorial partition. Uriya has been already referred to as the prevalent language of Orissa both in the plain districts and in the Tributary Mahals. It is also the vernacular of a large surrounding area. This area comprises—

(*a*) Sambalpur and certain adjacent Feudatory States, now under the Central Provinces.

(*b*) A part of the Singbhum District of Chutia Nagpur, now under Bengal.

(*c*) The Ganjam District, now under Madras, in which, out of a total population of 1,689,000, 1,275,000 are Uriya-speaking.

(*d*) The Ganjam Agency Tracts, also administered by Madras, in which, out of a population of 321,000, 87,000 are Uriya-speaking. The majority (157,000) of the people of these tracts speak Khond, a Dravidian language which, as education spreads, is certain to give place to Uriya, while the speakers of Telugu number only 5,800.

(*e*) The Vizagapatam Agency Tracts, also under Madras, in which, out of a population of 850,000, 409,000 are Uriya-speaking. The Vizagapatam District proper is in a different position, since, out of a population of 2,082,000, only 30,000 are Uriya-speaking, and this area accordingly does not enter into the field of the present discussion.

13. The difficulties arising from the problem thus created have been for years a source of anxiety and trouble to the different provinces concerned. No official complaint has been received from Bengal, because the factor of its Uriya-speaking population has been one with which it has had to deal for a century, and to which it has learned to accommodate itself as best it could. The Central Provinces, on the other hand, have experienced such difficulties in connexion with the administration of Sambalpur, that the Chief Commissioner asked in 1901 to be relieved of that district altogether, and although the Government of India were then unable to comply with the request, they were compelled to rescind a previous decision of 1895, which had proved unworkable in practice, and to restore

Uriya as the Court language of Sambalpur. Similarly, the Government of Madras have repeatedly complained of the anxieties imposed upon the Administration by the great diversity of languages (Uriya, Tamil, Telugu, Malayalam, Canarese) with which Madras civilians are called upon to cope, and which render the transfer of officers from one part of the Presidency to another a matter in any case of great difficulty and often of positive detriment to the public interest. These disadvantages exercise an injurious effect not only upon the administration, but still more upon the people. Where the population speaking a distinct language and the area over which it is spoken are too small to constitute a substantial portion of a province, the foreign unit is almost of necessity neglected. Under ordinary conditions the Government is unable to retain in it a superior staff who have become acquainted with the local language, and with the local customs which invariably accompany it. It is often impossible to officer the subordinate staff from local sources, and foreigners have to be brought in who are ignorant alike of the people, their language, and their ways, The Government may order that the vernacular shall be the language of the Government offices and Courts; but since neither officers nor clerks know this vernacular properly, compliance with the order is often impracticable and almost always incomplete. Nowhere are these drawbacks more conspicuous than among the Uriya-speaking peoples, distributed, as has been pointed out, between three administrations, and a source of constant anxiety to each. Hence in dealing with a question of this kind, it may be that the true criterion of territorial redistribution should be sought not in race but in language. Applying this test in the present case it is doubtful whether any positive distinction can be drawn between the Uriya-speaking peoples of the plains and those of the hills. The Uriya of Sambalpur is described indeed as a hybrid *patois*, as compared with the purer tongue of Orissa. No doubt there is some truth in this. Hillmen always talk a ruder dialect than plain-men, and uncivilised tribes than civilised peoples. But there is reason to believe that in the Eastern half of the Sambalpur District good Uriya is spoken, though in the west it gradually melts into Chhatisgarhi Hindi. In any case practical experience goes to show that the connection between a spoken language and its dialect or its *patois*, is a more potent ground of union than a purely racial difference is one of separation. The Uriya-speaking group in any case emerges as a distinct and unmistakable factor, with an identity and interests of its own.

14. The opinions of the members of this group have, on several occasions, been expressed in no uncertain sound. They entertain, so far as is known, no particular desire for the disruption of existing ties, as compared one with the other; but they entertain the strongest desire for the disruption of all such ties if by these means they can purchase the much greater advantage of linguistic union. They ask not so much to be taken away from Madras, with whose administration they are not believed to have grounds for complaint, or to be added to or taken away from the Central Provinces, or to remain under or be transferred to Bengal, as to be welded by the link of their common language into a single administrative whole. The Government of India have received a petition from the people of Ganjam, in which they speak of themselves as dissociated from their Uriya brethren, and of Orissa as "a limb separated from the body," and they pray, not for a patchwork redistribution, but that the Government of India "will be graciously pleased to bring together the scattered divisions inhabited by Uriya speaking peoples, *i.e.*, Ganjam in Madras, Sambalpur in the Central Provinces, and Orissa in Bengal, under the Government of Bengal or under any one Government and one University." To the same effect is the prayer of Raja Baikuntha Nath of Balasore that "all the districts and States speaking the Uriya language be united together and placed under one common administration, no matter whether under Madras, Bengal, the Central Provinces, or a separate administration." The Government of India have further been informed on the best authority that even those among the people of Sambalpur who are most attached to the Central Provinces "would prefer to sever connection with the province to giving up their mother tongue." It is for unity on the basis of language, not for redistribution on the basis of administrative advantage, that all these

memorialists plead. It is not contended that opinions may not be forthcoming on the opposite side. If they exist they will doubtless be evoked by the present discussion. So far, however, as any expression of local views has yet reached the Government of India, it coincides with the independent impression that has been formed by them.

15. On the grounds above stated the Government of India are disposed to unite the whole of the Uriya-speaking peoples, both hill and plain, under one administration, and to make that administration Bengal. In other words they would add to Orissa the Uriya-speaking tracts of Sambalpur (615,941 Uriya-speaking people out of a total population of 829,698), and its Feudatory States, the Ganjam District (with the possible exception of one taluk in which Uriya is said not to be the prevalent language) and the Ganjam and Vizagapatam Agency Tracts. Such a scheme would solve the question of language once and for all. This change would relieve both the Central Provinces and Madras of a troublesome excrescence upon their administrative system; and it would result in handing over the Uriya problem to one Government alone, on a scale and with a unity that would admit of its being treated with consistency and efficiency.

16. If the objection be raised to this suggestion that, while in the earlier portion of this letter the Government of India advocated relief to Bengal, they are now proposing to add to its burdens, the answer will be found in the far more important changes that will be explained in the remaining paragraphs.

17. The effect of the proposals hitherto sketched on the population of the Central Provinces is shown in the following statement :—

CENTRAL PROVINCES.

—	Population in British Territory.	Total Population.	Population in British Territory.	Total Population.
Present Population - -	9,876,646	11,873,029		
Gains.			=15,616,148	18,613,960
Berar - - - -	2,754,016	2,754,016		
Chutia Nagpur (minus Manbhum and Singbhum).	2,985,486	3,986,915		
Losses.				
Sambalpur (minus Phuljhar and Chandarpur (169,727).	659,971	659,971	=659,971	1,608,391
Five Uriya Feudatories - -	—	948,420		
Total Population - - -			14,956,177	17,005,569

18. The Governor-General in Council now turns to the concluding province which has a claim to gain in any redistribution scheme that may be put forward. It is now nearly 30 years since Assam was severed from Bengal, and 11 years since it received the only territorial addition that has subsequently been made to it. This was the Lushai Hills in 1892, In 1896–97 there was a prolonged discussion as to whether the Chittagong Division should also be transferred to Assam. But, though the project seemed at one time likely to take shape, it was eventually set aside for the time on grounds which have now ceased to have effect. The result is that Assam remains in much the same condition in respect of boundaries as when it was first created a Chief Commissionership, and is both the smallest and the most backward of the local Administrations. It contains an area of 56,000 square miles (nearly 53,000 British territory), a population of 6,126,000 (5,841,000 in British territory), and a gross revenue of 128 lakhs (land revenue 68 lakhs).

19. The Government of India are aware that the smallness and backwardness of Assam have been appealed to as supplying a sufficient argument against any expansion at all. They are inclined to entertain precisely the

opposite view. In their opinion, it is to its contracted area, to its restricted opportunities, to its lack of commercial outlet, to its alien services, and to the predominance in its life and administration of a single industrial interest depending in the main upon imported labour, that what has been described as the parochialism of Assam is due. The province requires an impulse forward in all of these directions. It requires territorial expansion in order to give to its officers a wider and more interesting field of work. It requires a maritime outlet in order to develop its industries in tea, oil, and coal. The paying portions of the Assam-Bengal Railway are in the south, and the whole line, if it is to be utilised in the interests of the province, ought to be under a single administration. Assam, moreover, will continue to be handicapped, so long as it is dependent for its service upon what it may be fortunate enough to borrow from Bengal. A province that can only offer the prize of one Commissionership, that is remote in locality and backward in development and organisation, will not attract the highest type of civilians to its employ. The Government of India regard it indeed as incontestable that, with a service recruited as at present, and confined within the present limits, Assam will find extreme difficulty in attaining the level of a really efficient administration ; and it is for this reason that in considering the question of changes, they are impressed with the paramount necessity for making them on such a scale as will remove this fundamental source of weakness, and will, if possible, give to Assam a service of its own, offering a career that will attract and retain men of ability and mark. No temporary opposition in the transferred towns or areas, no artificial agitation or interested outcry, should in their opinion be permitted to divert the efforts of Government from the main object, viz., the erection of Assam into a vigorous and self-contained administration, capable of playing the same part on the North-East Frontier of India that the Central Provinces have done in the centre, and that the Punjab formerly did on the North-West. If this end can be attained coincidently with a relief to the overburdened and congested administration of Bengal, the reform should be the more cordially recommended and the more readily approved. The Governor General in Council will now proceed to explain the means by which he thinks that this object may be secured.

20. The Chittagong Division consists of four Districts with an area of 11,770 square miles, a population of 4,737,000 and a land revenue of 31¾ lakhs. Attached to it is the Native State of Hill Tippera, with an area of 4,000 square miles, and a population of 173,000. It has already been mentioned that the incorporation of these areas with Assam has more than once been under discussion; while a reference to the papers on the last of these occasions, viz., in 1896–97, will show that it was then postponed rather than vetoed, the reasons against its acceptance being mainly of a temporary character, which have since disappeared. There is now a strong concensus of official opinion in favour of the change, and the people of Chittagong themselves, who have previously been opposed to the transfer, are understood to have changed their view and to be largely in favour of the change.

21. The main arguments in its favour, in addition to the above concensus of authoritative opinion, are the following—

(i) The port of Chittagong has not attained the full development of which it appears to be susceptible under the administration of Bengal. In any case, it cannot have been easy for a Local Government dominated by the interests of a great port like Calcutta, to do much towards promoting the advancement of a humbler rival, situated so short a distance away. The Chittagong Port Trust is in consequence in a somewhat unsatisfactory condition, and it has been necessary to consider special measures for adding to its revenues. If on the other hand Chittagong were added to Assam, these special drawbacks might be expected to disappear. There would be every inducement to the Local Government to develop the port, since the entire interests of the province, financial, industrial, and commercial, would be involved in its welfare. Already the advent of the railway has caused a considerable stir in

Chittagong, and the value of land is rising with startling rapidity. The Government of India entertain no doubt that Chittagong, if transferred to Assam will find a great future awaiting it, and that the port will gain equally with the internal industries of which it is the maritime outlet, and whose produce demands easy and rapid access to the sea. Further, there can be little doubt that Chittagong, even if it did not become the cold weather head-quarters of the Chief Commissioner, must at least receive a great deal of his attention and time.

(ii) The Assam-Bengal Railway will be administered with a greater regard to the interests of the province if it is placed under single instead of divided control. If the heavy expenditure incurred on this line is to be justified, if its mountain sections are to be really utilised in the exploitation of the country, it can only be by a fusion of interests between the upper and lower portions of the line; and to this a single administration will powerfully contribute. The junction between the two portions of the railway is on the verge of being effected; only a small section between Badarpur and Lumding remains to be finished; and then the oil wells of Digboi and Makum, the coal-mines of Margharita, and the tea plantations of the Upper Brahmaputra, will be placed in unbroken connection by rail with the Bay of Bengal.

(iii) There is no distinction, but, on the contrary, the closest resemblance between the condition of the people and the administration in the Chittagong Division, and those in the neighbouring Assam Districts of Sylhet and Cachar. The systems of land settlement and tenure are the same in both areas; the inhabitants are identical in race, religion, and language. The objections which were raised thirty years ago to the absorption of Sylhet and Cachar in Assam have proved to be unfounded, and if those districts were now to be given the option of re-union with Bengal, the Government of India believe that they would decline the offer.

22. To the arguments that have on previous occasions been brought, or that might be brought now, against the change, a sufficient reply is, in the opinion of the Government of India, in each case forthcoming.

(i) A fear has been expressed that the people of Chittagong would suffer by being subjected to an inferior standard of law and administration. There does not appear, however, to be any ground for this apprehension. For it is certain that there would be no change either in the class of officers employed, or in the administration of the law, while all the operations of Government would receive closer supervision from the Chief Commissioner of Assam than they can possibly meet with from the Lieutenant-Governor of Bengal.

(ii) A similar fear has found vent that Chittagong would be removed from the jurisdiction of the High Court of Calcutta. This also is a groundless alarm, for the jurisdiction would remain as now.

(iii) The loss of the control of the Bengal Board of Revenue has also been cited as a serious deprivation. The same thing was said in 1874 of Sylhet and Cachar. Under the present system the Chief Commissioner of Assam acts as Commissioner for those two districts, which do not appear to have suffered under his charge. This system will, of course, cease if Assam is enlarged to the full extent which the Government of India contemplate, and the contrast will then be between administration by a Board of Revenue and administration by a Chief Commissioner as in the Central Provinces. On various grounds the Government of India are disposed to prefer the latter system. In connection with this question it should be noted that in 1896 the members of the Bengal Board of Revenue were themselves strongly in favour of the transfer of Chittagong, and only advocated its postponement until the new settlement had been concluded and the railway finished; while Sir A. Mackenzie wrote in Mr. Bolton's letter of 13th August 1896—"There will

be a temporary disadvantage in having to prefer revenue appeals before what will be at first an inexpert tribunal; but the Assam Administration will soon master the subject, specially as the local ministerial establishments, who are familiar with the records, would also be transferred, and the Board of Revenue in Bengal could always be consulted."

(iv) There remains the loss to Chittagong of what Sir A. Mackenzie in the same letter described as "its fractional interest in the Bengal Council." The value of this asset is, in the present conditions, small. Moreover, such as it is, its loss would be more than compensated if Assam (presuming it to receive the larger instead of the smaller expansion under discussion) were to share a seat on the Legislative Council of the Governor-General with the Central Provinces, furnishing a member alternately with that administration.

23. The foregoing proposals will have some effect in extending the possibilities of the development of Assam and diminishing its drawbacks. But in the opinion of the Governor-General in Council they will still fall short of providing it with that which is the real secret of efficient administration, viz., a self-contained and independent service. Moreover, the union of the Uriya-speaking people under Bengal will involve a substantial addition to its population in the south, while the transfer of the greater part of Chutia Nagpur and the whole of the Chittagong Division with Hill Tippera will only bring about a net reduction of some five millions in the population now subject to the Lieutenant-Governor. It is clear that this would represent no great advance in the direction of affording relief to Bengal from its present excessive burden. It is mainly from these two points of view—the necessity of improving the Assam services and of reducing the responsibilities of Bengal—that the Government of India now proceed with a further suggestion, namely, the proposal to incorporate with Assam the districts of Dacca and Mymensingh.

24. These two districts of Eastern Bengal contain an area of 9,000 square miles, a population of 6,564,000, and a land revenue of 17 lakhs. Their association with Assam was first suggested by Sir W. Ward, Chief Commissioner, in 1896. It was opposed by his successor, Mr. (now Sir H.) Cotton, in 1897. It has been discussed in a tentative manner by the present Chief Commissioner. Mr. Fuller sees how greatly the transfer would be to the interest of his province, but he also recognises the difficulties, and he entertains some apprehension at the idea of Assam being swallowed up by Eastern Bengal. On the other hand, the transfer is strongly recommended by other authorities.

25. Apart from the broader considerations to which attention has already been called, the arguments for the transfer may be stated as followed:—

(i) Geographically, Dacca and Mymensingh are separated by a clear line of division, viz., the main channel of the Brahmaputra River, from Bengal. If they are joined to Assam, the latter will possess a definite and intelligible western boundary, whereas if the Chittagong Division is assigned to Assam, and Dacca and Mymensingh are left with Bengal, then the two latter districts will constitute a projection from the main body of Bengal obtruding itself into the heart of Assam, from which they will be separated by no ties either of origin, language, religion, or administration.

(ii) Not only will the transfer enable Assam to obtain an independent service, but that service would possess three separate Commissionerships, which would be its prize appointments. These would be (1) the Bramahputra valley or Assam proper; (2) Dacca, to which would be added Sylhet and Cachar; (3) Chittagong.

(iii) The proposed transfer of Chittagong to Assam would constitute Chittagong the port of Assam. Equally would it be the port of Dacca and Mymensingh, of which it is the natural commercial outlet. Though the associations of these two districts have hitherto been almost exclusively with Bengal, yet the connection

between them and Calcutta is from the physical point of view both arbitrary and unnatural, the numerous intervening rivers rendering communication difficult and slow.

(iv) There remains an argument to which no small weight attaches and which cannot be left out of consideration. The Government of India have reason to believe—and their impressions were strongly confirmed by the enquiries of the Police Commission—that there is no portion of Bengal where the drawbacks of an imperfectly supervised administration are more evident than in these outlying districts on its eastern border, and that nowhere is the absence of close and intimate touch between the offices of Government and the people more apparent or more regrettable. The Government of India believe that it would be an undoubted advantage to Bengal to lose these elements of weakness; and that the population and interests of the districts in question would be materially the gainers if they were brought into close contact with the officers and the head of the local administration.

26. On the other hand, the Governor-General in Council thinks it not unlikely that the proposal which has been here put forward may meet with keen criticism, and perhaps, in parts, with strenuous opposition. The lines which such opposition may be expected to take will probably be the following :—

(i) The change will doubtless be represented as one of a retrograde character, tending to place a highly advanced and civilised community under a relatively backward administration. The influence of those sections of the local population, whose associations have hitherto lain with Calcutta, and who appreciate a gravitation that draws them towards the capital both of a great province and of the Government of India, will be thrown into the same scale. These objections are deserving of consideration, but they are not of course of capital importance. They were successfully and wisely disregarded in the case of Sylhet and Cachar. They were formerly advanced, but have now been waived, in the case of Chittagong. As obstacles to an agreement by common consent they may be powerful now. But their weight is one that must be measured against the vastly superior interests at stake, and that will rapidly dwindle (should the change be effected) and before long disappear. The nearest analogy that occurs to the Government of India is that of the Talukdars of Oudh, who protested vigorously against their incorporation with the North-Western Provinces nearly half a century ago, but who have long ago acquiesced in the change, and would now equally resent a reversion to the *status quo ante*. But there is this remarkable difference, that whereas the Talukdars were many, there are comparatively few considerable zemindars in the area under examination, and they would gain in status and consideration by becoming the recognised magnates of a self-contained and progressive province.

(ii) It is possible that objections may be advanced on judicial grounds. The Government of India can see no reason why this should be the case, since the jurisdiction of the High Court of Calcutta over these districts would remain unaltered. Mr. Melitus, the Commissioner of the Assam Valley, remembering that in 1880 the High Court themselves suggested the appointment of a Judicial Commissioner at Dacca, has revived the idea. The Government of India, as at present advised, do not see its advantages; and they are disposed to think that the inhabitants of the district would probably prefer the continuance of the present system, which would, as Mr. Fuller has pointed out, open up an avenue of possible promotion to the eight Judges serving in Assam.

(iii) Finally, there is the argument, suggested by the Chief Commissioner himself, that if Assam were thus enlarged, it would be swamped by the area added to it, and that the change would in effect be

rather the annexation of Assam by Eastern Bengal, than the transfer of Eastern Bengal to Assam. To the Government of India these fears appear to be, if not exaggerated, at any rate not formidable. Moreover, as has been observed above, they are disposed to think that the predominance of a single labour question and a single industrial interest in Assam is not on the whole advantageous. The province as reconstructed would acquire a new and composite character; but this character would not be more composite than is found in many other Indian administrations, while it would add to the importance and variety of the whole.

27. Balancing the arguments on either side, and bearing in mind the permanent considerations mentioned in paragraph 25, the Government of India are decidedly in favour of the addition of the districts of Dacca and Mymensingh, as well as of the Chittagong Division, to Assam. They believe that this transfer would be the most efficient means for securing the end that they have in view, *viz.*, the ultimate benefit of the community, and the progressive improvement of the administration as a whole.

28. In conclusion, I am to state the figures for Bengal and Assam as they will stand, if the proposals of the Government of India are carried into execution. It will be observed that they relieve Bengal to the extent of 11 millions of people, and that they place Assam almost exactly upon the same level with the Central Provinces, namely, 17 millions.

BENGAL—Present population - - - - - - 78,493,410

Gains.		*Losses.*	
Sambalpur (from Central Provinces) - - -	659,971	Chittagong Division and Hill Tippera (to Assam)	4,911,056
Feudatory States (from Central Provinces) -	948,420	Dacca and Mymensingh (to Assam) - -	6,564,590
Ganjam District (from Madras) - -	1,689,142		
Ganjam and Vizagapatam Agency Tracts (from Madras) - - -	1,172,102	Chutia Nagpur (to Central Provinces) - -	3,986,915
	4,469,635		15,462,561
Net loss to Bengal -	10,992,926	Future population -	67,500,484

ASSAM—Present population - - - - - 6,126,343

Gains.

Chittagong (from Bengal) - - - - -	4,911,056
Dacca and Mymensingh (from Bengal) - - -	6,564,590
Net gain to Assam - 11,475,646. Future population -	17,601,989

I am to ask that the Government of India may be favoured with a full expression of the views of the Lieutenant-Governor on the reconstruction of Bengal that is proposed in this letter and the effect of which is summarised in the foregoing statement.

No. 2.

Resolution of the Government of India in the Home Department.

No. 2491, DATED SIMLA, THE 19TH JULY 1905.

In December 1903 the Government of India in letters to several of the Local Governments, which were published in the Official Gazette, announced their desire to consider the redistribution of certain of the territories of the Eastern and North-Eastern Provinces of India, notably of Bengal and Assam. Their attention had been called to the matter by the constantly accumulating evidence of the excessive and intolerable burden imposed upon the Bengal Government by a charge too great for any one administration, and of the consequent deterioration in the standards of Government, notably in portions of Eastern Bengal. Simultaneously the importance of rendering Assam a self-contained and independent administration with a service of its own, and of providing for its future commercial and industrial expansion, was impressed upon them. These considerations suggested a careful investigation of the circumstances, and surroundings of both provinces, and resulted in the formulation of certain proposals for the readjustment of their territorial boundaries. The criticism which was invited, and which was freely and usefully bestowed upon these proposals, justified substantial alterations in the original plan, and led in the end to the abandonment of that portion of the scheme which contemplated the transfer of certain territories from Madras to Bengal, and of the greater part of Chutia Nagpur from Bengal to the Central Provinces. The Government of India were convinced by the arguments placed before them by the Local Governments concerned that in neither case would the transfer promote the end which they had in view. Reasons of administrative expediency, arising out of the peculiar linguistic and racial conditions and the geographical conformation of Ganjam and the Agency tracts of Vizagapatam, were opposed to the transfer of those areas from the Government of Madras. Commercial considerations were mainly responsible for the continued retention of the British districts of Chutia Nagpur under the Government of Bengal.

2. Two changes only have been decided upon in the territories bordering upon Bengal and the Central Provinces. It was proposed by the Lieutenant-Governor, and accepted by the Chief Commissioner, that the five Native States of Jashpur, Sarguja, Udaipur, Korea, and Chang Bhakhar, at present attached to the Division of Chutia Nagpur, and forming a solid block of territory with a Hindi-speaking population, on the west of the districts of Palamau and Ranchi, should be handed over from Bengal to the Central Provinces, and this proposal has been accepted by the Governor General in Council. Owing to their physical remoteness these States have not hitherto received as much attention as might be desired; and it is hoped that their administration will be improved, while the status of the Chiefs will be raised, by their being placed under the Political Agent of Raipur, who is already invested with a similar political charge in the Central Provinces.

3. Both the Local Governments similarly recommended, and the Government of India have agreed, that the Sambalpur District (with the exception of the Chandarpur-Padampur estate and the Phuljhar zamindari) and the five Uriya-speaking States of Patna, Kalahandi or Karond, Sonpur, Bamra, and Rairakhol should be transferred from the Central Provinces to the Orissa Division of Bengal. Linguistic considerations are the main reason for this transfer, which it is confidently believed will be beneficial to the interests of the people. It is in contemplation to protect the interests of the Chiefs affected by appointing a European Political Officer to take charge of the entire group of Uriya-speaking States.

4. These proposals are, however, of minor importance compared with the principal changes to which the Secretary of State has given his sanction, and which involve the creation of a new administration of the first class out of certain divisions of Bengal, together with the territories at present

administered by the Chief Commissioner of Assam. In their original form these suggestions arose from a proposal which had already on a previous occasion been under the consideration of the Government of India, and had then only been postponed by them, namely, to incorporate the Chittagong Division with Assam. It was proposed in the letters of December 1903 to include the districts of Decca and Mymensingh also, for reasons which were then stated, and which it is not necessary now to repeat. The discussion which was elicited by these suggestions indicated to the Government of India that, large as were their proposals, they were not large enough if satisfaction were to be given to the feelings of those who were alarmed at the possible deprivation of privileges which they had for long enjoyed and to which they attached a not unnatural value. These feelings attracted the earnest attention of the Government of India; and in February 1904 His Excellency the Viceroy, in a series of speeches delivered in reply to public addresses at Chittagong, Dacca, and Mymensingh, foreshadowed the willingness of Government to consider a wider scheme involving the creation of a Lieutenant-Governorship with a Legislative Council and an independent Revenue authority, and the transfer of so much territory as would be required to justify the institution of so highly organised and fully equipped an administration.

5. From that date the efforts of Government were principally directed to a discussion of the areas that could most advantageously be assigned to the new province, and to an examination of the safeguards that were required to secure the legitimate interests of their inhabitants. A scheme was submitted by the Lieutenent-Governor of Bengal for the amalgamation with Assam of the Chittagong and Dacca Divisions, and the districts of Pabna, Bogra, and Rangpur. This proposal did not seem to the Government of India to be proportionate to the scope of the important administration which it was now contemplated to create, nor would it have given to Bengal, whose population would still have exceeded 59 millions, the permanent relief that ought to ensure from an adequate reduction of its existing area and responsibilities. Accordingly, it was proposed to increase the transferred area by the districts of Rajshahi, Dinajpur, Jalpaiguri, Malda, and the State of Cooch Behar. These additions were thought by the Government of India to be justified on the grounds that they would constitute a new province with a population of over 31 millions, while leaving Bengal with a little more than 54 millions; that they would provide a clearly defined western boundary corresponding with well-recognised characteristics, both geographical, ethnological, social, and linguistic; that they would concentrate in a single province the typical Muhammadan population of Bengal, for whom Dacca would furnish a natural capital; that the whole of the tea industry (with the exception of the Darjeeling gardens), and the greater part of the jute tracts, would thus be brought under a single Government, and that long-established divisional areas would thereby remain undisturbed.

6. The enlarged scheme was cordially accepted by the Governments both of Bengal and Assam. The Lieutenant-Governor reported that he had discussed the proposal with the Members of the Board of Revenue and with his most senior officers, and had found that with scarcely an exception there was complete unanimity in accepting it. The Chief Commissioner of Assam attached great value to the future association under a single Government of the tea-growing areas supplied by free labour with those worked by indentured labour, and thought that the gradual substitution of natural for artificial methods of recruitment would be accelerated. He also proposed the creation of a new Commissionership out of the Surma Valley Districts and Manipur, at present under his own direct control. This suggestion was accepted by the Government of India, and will raise the number of Commissionerships in the new province to five.

7. The effect of the proposals thus agreed upon, and now about to be introduced, will be as follows:—A new province will be created, with the status of a Lieutenant-Governorship, consisting of the Chittagong, Dacca, and Rajshahi Divisions of Bengal, the district of Malda, the State of Hill Tipperah, and the present Chief Commissionership of Assam. Darjeeling will remain with Bengal. In order to maintain associations, which are highly

valued in both areas, the province will be entitled Eastern Bengal and Assam. Its capital will be at Dacca, with subsidiary head-quarters at Chittagong. It will comprise an area of 106,540 square miles and a population of 31 millions, of whom 18 millions are Muhammadans and 12 millions Hindus. It will possess a Legislative Council, and a Board of Revenue of two members and the jurisdiction of the High Court of Calcutta is left undisturbed. The existing province of Bengal, diminished by the surrender of these large territories on the east and of the five Hindi States of Chutia Nagpur, but increased by the acquisition of Sambalpur and the five Uriya States before mentioned, will consist of 141,580 square miles with a population of 54 millions, of whom 42 millions are Hindus and 9 millions Muhammadans. In short, the territories now composing Bengal and Assam will be divided into two compact and self-contained provinces, by far the largest constituents of each of which will be homogeneous in character and which will possess clearly defined boundaries and be equipped with the complete resources of an advanced administration.

8. The Governor-General in Council is fully aware of the opposition which these proposals have encountered, and has no desire to undervalue the sentiments upon which it has been based. Ties of mutual association grow up so quickly and become so closely interlaced, that territorial redistribution can rarely be accomplished except at the cost of a disruption which is often painful and generally unpopular. On the other hand, when old connections are severed new ones almost immediately take their place, growing with a rapidity that in a very short time is found to invest them with a sanctity scarcely inferior to that of the associations which they have superseded.

9. The Government of India are encouraged by previous experience to hope that such will be the case in the present instance. They will be greatly disappointed if there are not found in the new province elements of cohesion which will speedily endow it with a stability and individuality of its own. In any case the Government that is called upon to decide such cases must regard them from a wider standpoint than that of purely local, and in all probability transient considerations. They are bound to keep in view the interests of the Government and of the people as a whole. If they are convinced that owing to arrangements, devised for a different state of affairs and now obsolete, the administration suffers, if they see one Government weighed down with a burden which it cannot properly discharge, and another Government shut out from the development that ought naturally to await it, they cannot permanently remain indifferent to the situation thus produced. Either a remedy must be sought, or the responsibility for a conscious neglect of duty is incurred.

10. Upon two conditions, however, the community has a claim to insist. The first is that the solution ultimately approved shall not be arrived at in haste or until all available alternatives have been fully considered, and its superiority over them conclusively established. This procedure has been followed in the present case. It is now more than 18 months since the first proposals of the Government of India were officially published. In the interval they have been the subject of wide-spread and searching criticism at the hands of those who were directly or indirectly concerned. Representations from an immense number of public bodies or gatherings have reached the Government. These have in every case been attentively examined: many of them have not been without effect upon the course adopted: and the very last charge that could with justice be brought against the Government would be one of undue speed in arriving at a final decision. In the course of this prolonged study of the case, the various suggestions that have at different times been put forward for the relief of Bengal have been exhaustively examined. The idea of creating a new Commissionership or Chief Commissionership out of portions of the Province, the separation from Bengal of smaller areas than those ultimately selected, the transfer of sufficient territory to the Central Provinces to convert the latter administration into a Lieutenant-Governorship, the substitution of administration in Bengal by a Lieutenant-Governor and Council for administration by a Lieutenant-Governor alone—all of these have been duly considered and have not been rejected until they were found to contain flaws or drawbacks which were

inconsistent with the essential aim. On the other hand, the scheme which was preferred to them has received the practically unanimous approval of the leading officials of the three administrations whom it directly affects, as well as the final sanction of the Secretary of State.

11. The second condition above referred to is that, as far as possible, an attempt should be made to remove every well-grounded cause of complaint and to satisfy every reasonable demand on the part of those who will be personally affected by the new arrangement. The Government of India have endeavoured throughout to act in accordance with this principle, and to it the majority of the modifications in the original plan are due. The grant to the new province of a Legislative Council and a Board of Revenue, and the retention of the jurisdiction of the High Court are instances of this desire; and the Governor-General in Council can confidently state that there is no guarantee for the good government of the transferred populations which he has not been willing, if its merits were satisfactorily demonstrated, to adopt.

12. The result is the creation of a new province, founded upon that which is the secret of all good administration, namely, the close contact—in so far as this is possible in areas of great size—of the governors with the governed. The welfare of the people will be more vigilantly safeguarded, and larger opportunities will open up before the educated classes, when they are the nucleus of a powerful and self-contained administration exclusively devoted to their interests, than when they have been either the appendage of an overgrown and overworked province or the constituents of a relatively backward and arrested organisation. The change may be expected to raise the administrative standards and to revive no small portion of the former prosperity of Eastern Bengal. It will communicate a much desired impetus to the hitherto retarded development of Assam.

13. The Governor-General in Council, in directing that the necessary measures shall now be taken to introduce the scheme, looks forward to the day, as not far distant, when not merely will the new province of Eastern Bengal and Assam have amply vindicated its creation, as an administrative reform of the first importance, but when it will have acquired a character and influence not inferior to those of any of the older Indian provinces, and will have attracted to itself the spontaneous and devoted loyalty of its sons.

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